the military government, who is not named, as inquiring—

If Clapp is "unemployable" in the military government, why should he be permitted to remain as head of TVA? I think this is a terrible situation and ought to get an airing.

I agree with whoever made that statement, Mr. President, that the situation should be gone into and aired. And it will be fully explored if I have my way about it.

Mr. President, Gordon Clapp is a man of great ability and of unimpeachable integrity and loyalty. I think it is a travesty on justice that men of his caliber are smeared in such a manner on the unsubstantiated and unexplained charges of officials of the military government.

It is a known fact that those of us who participate in the Government of our Nation are subjected to the most searching limelight of public opinion. For this reason many outstanding and capable persons are unwilling to place their private lives in the public limelight. That is bad enough; but when good citizens are smeared on unsubstantiated reports, the matter is getting out of hand and has certainly gone too far.

Mr. President, I call attention to the fact that the spokesman for the military government refused to say who made the charges, or what the charges were. Yet, the whole thing is printed on the front page of the New York Times, and is continued on page 9 of that newspaper, where Mr. Clapp's picture appears. Then the spokesman has the audacity to decline to elaborate on the findings, either as to their possible content or as to the time when they were made. The article states:

"Further comment," an official Army answer stated, "should come from Mr. Clapp."

Mr. President, how very wrong it is to smear a man in such a fashion, by making a charge that he is unemployable, and then refusing to say where the charge came from, or who is responsible for it, when the man involved knew nothing whatever about it and had no opportunity to find out; and then how improper and unreasonable it is to say that any further comment should come from the man accused. In other words, Mr. President, a man is smeared by an unsubstantiated report for which no one will take responsibility and then a spokesman of the Army says that the burden is on the accused. I want to know who this official is. If we have men in high Government places who have so little respect for the rights of a citizen, we ought to learn who they are and get them out of Government.

Mr. President, this matter has gone too far. It is not fair; it is not in keeping with our constitutional form of Government and the fundamental and sacred freedoms which people enjoy in our land. Men in the public life of our country should enjoy some protection from smear methods. Our people should not be treated in any such manner.

All of us agree that dangerous persons must be ferreted out of Government, but the purposes of legitimate investigation are injured when a Government agency goes off half-cocked, as our military government has in this instance. Certainly if charges are to be made against a person in high Government position, the person making the charges should be quoted directly to the newspapers, and we ought to know who the person is who is making the charges, and what the charges are. Too many people never read beneath the headlines. I think in this instance, where the good name of an unimpeachable man, a great public servant, has been defamed on the front page of the New York Times, many people will read the smear and will forever think he is the wrong sort of person to have in the Government, whereas later on if an explanation is printed, it is usually on the back page of the newspapers, not on the front. The harm is done and it is difficult to correct. Some newspapers are to blame also. If they print derogatory statements which have no substantiation, they ought to give the same prominence to the reply. They seldom do.

I have asked the President of the United States to order a full and complete explanation of this matter, and I have asked the Secretary of Defense and the Secretary of the Army to make full disclosures of all information available, and of the persons responsible for the report. I am happy to say that the distinguished chairman of the Committee on the Armed Services has appointed a subcommittee to go into this matter and to find out what the charge was, who made the report, and, if the report is unsubstantiated, why the name of a good, loyal public servant should have been smeared through the carelessness or the unthoughtfulness of some person in the Military Establishment. The practice should be stopped, and, if necessary, I hope the Armed Services Committee or some other committee will take the burden of seeing that legislation is passed to stop this sort of thing. Of course, the agencies can and should do it themselves. We are liable to lose the protections guaranteed us under the Constitution, the thing we have been fighting for and trying to protect so long, if we allow this sort of thing to go on in Government agencies, the smearing of the names of good people and of Government officials without substantiation, without the public even knowing who it is that makes the complaint or where it comes from.

I felt it my duty to bring this matter to the attention of the Senate and of the Congress, and I shall insist that there be a full disclosure of the charges and of the persons involved, in order that we may do what we can to remedy a great injustice that has been done to a good man and a loyal public official. I thank the Senator from Minnesota for yielding to me.

Mr. HUMPHREY. I was very happy to yield to the distinguished Senator from Tennessee. He always makes a very worthy contribution, and surely his remarks are again within the substance, may I say, of what we are talking about, the protection of basic civil rights, the opportunity for fair treatment. That is really what we are talking about when we discuss labor-management relationships.

RECESS TO MONDAY

Mr. THOMAS of Utah. Mr. President, I move that the Senate stand in recess until 12 o'clock noon Monday.

The motion was agreed to; and (at 5 o'clock and 5 minutes p. m.) the Senate took a recess until Monday, June 13, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 10 (legislative day of June 2), 1949:

DIPLOMATIC AND FOREIGN SERVICE

John Wesley Jones, of Iowa, now a Foreign Service officer of class 2 and a secretary in the diplomatic service, to be also a consul general of the United States of America.

The following-named persons, now Foreign Service officers of class 3 and secretaries in the diplomatic service, to be also consuls general of the United States of America:

Sidney A. Belovsky, of New York.
James E. Henderson, of California.
Andrew G. Lynch, of New York.

Joseph Palmer 2d, of Massachusetts, now a Foreign Service officer of class 4 and a secretary in the diplomatic service, to be also a consul of the United States of America.

Eugene H. Johnson, of Wisconsin, a Foreign Service staff officer, to be a consul of the United States of America.

The following-named Foreign Service reserve officers to be secretaries in the diplomatic service of the United States of America:

Eric C. Bellquist, of California.
Thomas T. Driver, of New York.

Monteagle Stearns, of New York, a Foreign Service reserve officer, to be a vice consul of the United States of America.

SENATE

MONDAY, JUNE 13, 1949

(Legislative day of Thursday, June 2, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Philip Gordon Scott, pastor of the Westmoreland Congregational Church, Washington, D. C., offered the following prayer:

Eternal God, our Heavenly Father, who hast not left us to live a day without a holy guidance, let Thy truth direct our ways, that we may serve Thee in honor all the day, abiding ever in Thy strength.

Help us here to reverence the tasks committed to our hands, the truth entrusted to our lives, and make us worthy, in all our words and work, of the fellowship of Thy spirit.

Teach us what answer to make to this day and all it will ask of us. Sustain us in every service that comes with rightful claim.

Guide and guard this land of our heritage that we may build, in all our ways, upon foundation of Thy righteousness, a peaceful home for all men's hopes. Through Christ our Lord. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Friday, June 10, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on June 10, 1949, the President had approved and signed the following acts:

S. 353. An act to protect scenic values along and tributary to Aspen Basin Road, and contiguous scenic area, within the Santa Fe National Forest, N. Mex.;

S. 715. An act to amend the Agricultural Act of 1948;

S. 1181. An act to authorize the appointment of officers on the active list of the Philippine Scouts in the Regular Army, and for other purposes;

S. 1219. An act removing certain restrictions and conditions imposed by section 2 of the act of May 27, 1936, on certain of the lands conveyed by such act to the city of Charleston, S. C.; and for other purposes; and

S. 1229. An act to enable certain former officers or employees of the United States separated from the service subsequent to January 23, 1942, to elect to forfeit their rights to civil-service retirement annuities and to obtain in lieu thereof returns of their contributions with interest.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the Speaker pro tempore had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H. R. 3754. An act providing for the temporary deferment in certain unavoidable contingencies of annual assessment work on mining claims held by location in the United States, and enlarging the liability for damages caused to stock raising and other homesteads by mining activities;

H. R. 4263. An act to amend section 102 (a) of the Department of Agriculture Organic Act of 1944 to authorize the Secretary of Agriculture to carry out operations to combat the citrus blackfly, white-fringed beetle, and the Hall scale; and

H. R. 4583. An act relating to telephone and telegraph service and clerk hire for Members of the House of Representatives.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Ferguson	Johnson, Colo.
Brewster	Flanders	Johnson, Tex.
Bricker	Fulbright	Johnston, S. C.
Bridges	George	Kefauver
Butler	Gillette	Kem
Capehart	Graham	Kerr
Chapman	Green	Kilgore
Chavez	Gurney	Langer
Connally	Hayden	Lodge
Cordon	Hendrickson	Long
Donnell	Hill	Lucas
Douglas	Hoey	McCarthy
Eastland	Hunt	McClellan
Ecton	Ives	McFarland
Ellender	Jenner	McKellar
Maybank	Reed	Thye
Miller	Robertson	Tydings
Morse	Russell	Vandenberg
Mundt	Schoeppel	Watkins
Murray	Sparkman	Wherry
Neely	Taylor	Wiley
O'Mahoney	Thomas, Okla.	Withers
Pepper	Thomas, Utah	Young

Mr. LUCAS. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Delaware [Mr. FREAR], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Rhode Island [Mr. MCGRATH], and the Senator from Pennsylvania [Mr. MYERS] are absent on public business.

The Senator from Virginia [Mr. BYRD], the Senator from California [Mr. DOWNEY], the Senator from Washington [Mr. MAGNUSON], the Senator from Nevada [Mr. MCCARRAN], and the Senator from Maryland [Mr. O'CONOR] are detained on official business in meetings of committees of the Senate.

The Senator from Florida [Mr. HOLLAND] is absent by leave of the Senate on public business.

The Senator from Connecticut [Mr. MCMAHON] is absent on official business, presiding at a meeting of the Joint Committee on Atomic Energy in connection with an investigation of the affairs of the Atomic Energy Commission.

The Senator from Mississippi [Mr. STENNIS] is absent because of illness.

The Senator from New York [Mr. WAGNER] is necessarily absent.

Mr. WHERRY. I announce that the Senator from Ohio [Mr. TAFT] is necessarily absent.

The Senator from Pennsylvania [Mr. MARTIN] and the Senator from Massachusetts [Mr. SALTONSTALL] are absent by leave of the Senate.

The Senator from Maine [Mrs. SMITH] and the Senator from Delaware [Mr. WILLIAMS] are absent on official business.

The Senator from Connecticut [Mr. BALDWIN] and the Senator from New Jersey [Mr. SMITH] are absent because of illness.

The Senator from Washington [Mr. CAIN], the Senator from Nevada [Mr. MALONE], and the Senator from New Hampshire [Mr. TOBEY] are detained on official business.

The Senator from Iowa [Mr. HICKENLOOPER], the Senator from California [Mr. KNOWLAND], and the Senator from Colorado [Mr. MILLIKIN] are in attendance at a meeting of the Joint Committee on Atomic Energy.

By order of the Senate, the following announcement is made:

The members of the Joint Committee on Atomic Energy are in attendance at a meeting of the said committee in connection with an investigation of the affairs of the Atomic Energy Commission.

The PRESIDENT pro tempore. A quorum is present.

TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, I ask unanimous consent that Members of the Senate may be permitted to introduce bills and joint resolutions and present routine matters for the record, as though in the morning hour, without debate.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following communications, which were referred as indicated:

SUPPLEMENTAL ESTIMATE, LEGISLATIVE BRANCH, ARCHITECT OF THE CAPITOL (S. Doc. No. 83)

A communication from the President of the United States, transmitting a supplemental estimate of appropriation, amounting to $28,000, for the legislative branch, Architect of the Capitol, fiscal year 1950, in the form of an amendment to the budget (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATES, NATIONAL MILITARY ESTABLISHMENT (S. Doc. No. 82)

A communication from the President of the United States, transmitting supplemental estimates of appropriation, amounting to $33,400,000, and contract authorization in the amount of $17,000,000, for the National Military Establishment, fiscal year 1950, in the form of amendments to the budget (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

PETITIONS AND MEMORIALS

Petitions, etc., were presented, and referred as indicated:

By Mr. O'CONOR:

A joint resolution of the Legislature of the State of Maryland; to the Committee on Armed Services:

"Senate Joint Resolution 11

"Joint resolution memorializing the Congress of the United States to oppose the federalization of the National Guard of the United States and the National Guard of the several States, territories and the District of Columbia in whole or in part

"Whereas the Secretary of Defense brought into being in 1947 the Committee on Civilian Components, commonly known as the Gray Board, and which Committee was directed by said Secretary of Defense to make a comprehensive, objective and impartial study of the armed forces; and

"Whereas said Committee on Civilian Components on 30 June 1948, in its report to the Secretary of Defense, recommended, among other things, that National Security required that all services have one Federal Reserve Force which should be accomplished:

"(a) by establishing the reserve forces of the Army under the "Army Clause" of the Constitution;

"(b) by similarly establishing the reserve forces of the Air Force under appropriate legal authority;

"(c) by incorporating the National Guard and the Organized Reserve Corps into the Army Reserve Force under the name of "The National Guard of the United States";

"(d) by incorporating the Air National Guard and Air Reserve into the Air Force Reserve Force under the name of the "United States Air Force Reserve"; and

"Whereas on December 15, 1948, the Secretary of Defense recommended to the President of the United States, among other things, the federalization of the Air National Guard and greater Federal control over the personnel, equipment, facilities and allocation of money to the States; and

"Whereas federalization of the National Guard, in whole or in part, by the organization of a single Federal Reserve Force under the Army Clause of the Constitution (instead of under the Militia clauses of the Constitution as the National Guard is now organized, and under which the sovereign States retain

authority for the appointment of National Guard officers and the training of the Guard in time of peace, in accordance with the discipline prescribed by Congress) would violate the principle of "States' Rights"; and

"Whereas the fact that the framers of the Constitution contemplated a standing army as the only Federal force, is clear from the arguments advanced by Hamilton, who persuaded the States to accept the principle of a standing army large enough to accomplish the immediate purpose of the Congress only—its size to be controlled by limiting appropriations to a period of 2 years only, with the further agreement that the States would maintain no troops in time of peace other than with the consent of Congress, in exchange for the provision that the Congress would have power to provide for organizing, arming and disciplining (training) the militia, reserving to the States only the power to appoint officers and the authority to train the militia according to the discipline prescribed by Congress; and

"Whereas complete federalization would violate the principle upon which the States bargained, as above explained, by giving to the Federal Government, in addition to its own standing army, a part of the militia over which the States would have no control or power whatsoever, instead of the control provided in clause 16, section 8, article I of the Constitution; and

"Whereas nowhere in the Constitution is there any power given to the Federal Government to do other than raise and support armies, and standing armies only were contemplated with no power ever given to the Federal Government to organize and support a Federal Militia, and none exists; and

"Whereas federalization of the National Guard as now constituted under the militia clauses of the Constitution, in whole or in part, would not only violate the principle of States' rights but would violate existing agreements between the Federal Government and the sovereign States whereby the States accepted in good faith the allotments made by the War Department in 1945, and have completed the organization of such allotments, insofar as authorized by the Congress and for which funds have been provided; and

"Whereas federalization of the National Guard, Air or Army, as recommended by the Secretary of Defense and the Committee on Civilian Components, would destroy at one blow the National Guard as it now exists and which has rendered exceptional and valiant service to the Nation in two World Wars; and in time of peace would impose fantastic costs beyond the ability of the Nation to meet, and would seriously jeopardize our national security and would result in the centralization of all military power in the Federal Government and ultimately in the hands of a few, and thus pave the way for the establishment of a dictatorship, military or otherwise, in this country; and

"Whereas the States would be left without an internal security force and would be compelled to organize and maintain State troops at great cost to the States, with the result that there would thus be maintained a Federal Reserve and State military force, creating a great duplication of effort and expense; while the National Guard, as it is now constituted and controlled, not only furnishes the necessary internal security for the States but, in addition, serves as a component of the Army of the United States and a first line of defense thereof, as provided by the National Defense Act; and

"Whereas the National Guard, both Army and Air, can, under the present National Defense Act, be efficiently and competently supervised as to its training and equipment in time of peace, and in preparation for its prompt use in time of emergency, without resort to federalization, if there is the proper disposition within the Federal authorities to render such supervision: Now, therefore, be it

"*Resolved by the General Assembly of Maryland*, That the Congress and the President of the United States are hereby memorialized to retain intact the National Guard, Army and Air, as it is now organized under the militia clauses of the Federal Constitution, and thus reserve to the States the controls provided by the Constitution in time of peace and insure that it will be at the disposal of the State in time of peace, and that there will be unity in the armed forces of the Nation at a time when unity is so essential; and be it further

"*Resolved*, That the secretary of state be and he is hereby directed to send, under the great seal of the State of Maryland, copies of this resolution to the President of the United States, the Speaker of the House of Representatives, the President pro tempore of the Senate, the chairman of the Armed Services Committee of the Congress, and Members of the Maryland delegation in Congress.

"Approved:

"WM. PRESTON LANE, Jr.,
"Governor."

A joint resolution of the Legislature of the State of Maryland; to the Committee on Interstate and Foreign Commerce:

"House Joint Resolution 12

"Joint resolution requesting the United States to use other than poisonous means for the purpose of clearing growth from the right of way of the railroad to the naval powder factory in Charles County

"Whereas the United States has been using poison for the purpose of clearing growth from the right of way of its railroad running from the Naval Powder Factory at Indian Head, Md., to White Plains, Md.; and

"Whereas the Maryland State Game Farm at Ripley, Md., borders on said railroad, and many partridges, rabbits, deer, and other game and wild fowl have been killed or are in imminent danger of being killed, by contact with the poison, and the conservation program of the State of Maryland has accordingly suffered; and

"Whereas it is the understanding of the General Assembly of Maryland that the Pennsylvania Railroad keeps clear its right of way from Bowie to Pope's Creek without finding it necessary to use poisons detrimental to wildlife: Now, therefore, be it

"*Resolved by the General Assembly of Maryland*, That the United States be requested to discontinue the use of poisons detrimental to wildlife for the purpose of clearing its right of way from Indian Head to White Plains, Md.; and be it further

"*Resolved*, That the secretary of state be and he is hereby directed to send a copy of this resolution, under the great seal of the State of Maryland, to the Governor of the State of Maryland, the Secretary of the Navy, the United States Senators from Maryland, Congressman LANSDALE G. SASSCER, and the Commandant, United States Naval Powder Factory, Indian Head, Md.

"Approved April 22, 1949.

"WM. PRESTON LANE, Jr.,
"Governor."

A joint resolution of the Legislature of the State of Maryland; to the Committee on Labor and Public Welfare:

"House Joint Resolution 11

"Joint resolution memorializing the Congress of the United States not to federalize the practice of medicine

"Whereas the American people now enjoy the highest level of health, the finest standards of scientific care and the best quality of medical institutions thus far achieved by any major country in the world; and

"Whereas the great accomplishments of American medicine are the results of a free profession working under a free system unhampered by Government control; and

"Whereas the experience of all countries where Government has assumed control of medical care has been progressive deterioration of the standards of that care to the serious detriment of the sick and the needy: Now, therefore, be it

"*Resolved by the General Assembly of Maryland*, That the Congress of the United States be, and is hereby, memorialized not to enact legislation that has been proposed the effect of which will be to bring the practice of medicine in this country under Federal direction and control; and be it further

"*Resolved*, That the Senators and Representatives from Maryland in the Congress of the United States be, and they are hereby, respectfully requested to use every effort at their command to prevent the enactment of such legislation; and be it further

"*Resolved*, That copies of these resolutions be transmitted by the secretary of state of Maryland, under the great seal of this State, to the President of the United States, to the presiding officer of each branch of the Congress, and to the Members thereof from this State."

NATIONAL ALL FAITH MEMORIAL—RESOLUTION OF BOARD OF ALDERMEN OF SOMERVILLE, MASS.

Mr. LODGE. Mr. President, I present for appropriate reference a resolution adopted by the Board of Aldermen of the City of Somerville, Mass., and signed by the mayor, endorsing the plan for the establishment of a National All Faith Memorial, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the resolution was referred to the Committee on Rules and Administration, and ordered to be printed in the RECORD, as follows:

CITY OF SOMERVILLE,
OFFICE OF THE MAYOR,
June 6, 1949.

The honorable the BOARD OF ALDERMEN,
City of Somerville, Mass.

GENTLEMEN: Whereas there has been introduced in the Senate of the United States on January 31, 1949, a joint resolution (S. J. Res. 43) providing for "establishing a commission to select a site and design for a memorial to contributions of members of all religious faiths to American military and naval history," which joint resolution has been referred to the Senate Committee on Rules and Administration; and

Whereas such memorial will serve as a living symbol of the traditional spirit of American unity and tolerance, as well as a perpetual reminder that supreme demands of heorism recognize no barriers of race, religion, or national origin; and

Whereas the city of Somerville has always been in the forefront in promoting understanding and harmony among people of all faiths; particularly so today because many of her sons and daughters have served so courageously in defense of our country in World War II, regardless of race, creed, or color; Now, therefore, be it

Resolved, That the Board of Aldermen of the City of Somerville endorse the plan for the establishment of a national all faith memorial and direct the city clerk to send copies of this resolution to the chairman of the Committee on Rules and Administration of the United States Senate and to the United States Senators, LEVERETT SALTONSTALL and HENRY CABOT LODGE, JR.

Respectfully yours,

G. EDWARD BRADLEY,
Mayor.

LETTER FROM BOARD OF DIRECTORS OF DICKEY COUNTY, N. DAK., FARMERS UNION

Mr. LANGER. Mr. President, I present for appropriate reference a letter from the board of directors of the Dickey County, N. Dak., Farmers Union, signed by Leona Meyer, secretary, relating to the North Atlantic Treaty, the Brannan farm bill, and the TVA, and I ask unanimous consent that the letter may be printed in the RECORD.

There being no objection, the letter was ordered to lie on the table, and to be printed in the RECORD, as follows:

DICKEY COUNTY FARMERS UNION,
Monango, N. Dak., June 7, 1949.

Senator WILLIAM LANGER,
Washington, D. C.

DEAR SENATOR: We, the board of directors of the Dickey County Farmers Union, at a meeting on this 6th day of June 1949, have had under discussion problems which we term to be of vital importance to the welfare of the people of this Nation.

Briefly stated:

1. We feel such acts as approving the North Atlantic Pact would be a great mistake and would eventually lead us into another world conflict.

2. In view of the fact that we well recall the depression of the thirties, which came about due to no precautionary measures prior to that time, therefore we feel that the farm program proposed by Secretary Brannan is a step in the right direction for the protection of the American farmer and consumer.

3. We favor the development of our natural resources for the benefit and service of the people it serves and in view of the success of the TVA, we favor the development of our natural waterways under such a plan.

Yours truly,

DICKEY COUNTY FARMERS UNION,
LEONA MEYER, *Secretary.*

GARRISON DAM—RESOLUTIONS OF MOUNTRAIL COUNTY, N. DAK., FARMERS UNION

Mr. LANGER. Mr. President, I present for appropriate reference resolutions adopted by the Mountrail County, N. Dak., Farmers Union, Van Hook, N. Dak., signed by Mrs. Albert N. Winge, county secretary, relating to the Garrison Dam, and I ask unanimous consent that they be printed in the RECORD.

There being no objection, the resolutions were referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

VAN HOOK, N. DAK., *April 15, 1949.*

Messrs. WILLIAM LANGER, YOUNG, BURDICK, and LEMKE,
Washington, D. C.

DEAR SIRS: I am herewith sending you resolutions passed at our recent county board meeting.

We, the Farmers Union of Mountrail County, N. Dak., consisting of 1,215 members, do hereby present the following resolutic s and we hope due consideration will be given each and every one of them:

"Be it resolved, The southern half of Mountrail County will be the hardest hit by the proposed Garrison Dam, and we do hereby petition the Congress of the United States to consider the wishes of the people affected by this Garrison Dam, that the 1,830-foot level of the dam is sufficient and to keep the appropriations to that limit."

"Be it resolved, That farmers get a fair price for their land and buildings so they do not have to fight it out in court. We must be able to replace what we have had to give up.

"We do hereby petition the Congress of the United States to create a MVA for the Missouri Valley."

"Be it resolved, That the most of the farmers are not as well off as reports have been publicized and that paying the old seed and feed loans will cause a tremendous hardship on the farmers; for this reason, most of the farmers who received these feed and seed loans are now in the sunset of life, and were heavily in debt when crops did come back into production and prices were reasonable. If they are forced to pay these feed and seed loans plus interest, it will mean for them to spend their remaining years in some charitable home and become public charges. Certainly we farmers who put forth our all for the World War can be given some consideration, when we can cancel all debts for these warring nations. Do consider giving us farmers a new lease on life."

"We also resolve, That fluctuations in farm prices keep the farmer at sea and we therefore urge and petition the Congress of the United States to work for 100 percent of parity. No other industry works for less than 100 percent, so why should the farmers? We demand 100 percent parity in all farm products."

"Be it resolved, The reason wheat prices fluctuate is because most of the crop is simply dumped on the market in the fall, and naturally because of a seeming surplus in the fall of the year prices fall to a depressingly low level. We thereby petition the Government of the United States to provide for more storage so the grain crop may be more evenly distributed during the year."

"We also resolve, That since the Army is buying all this land for the Garrison Dam that we farmers be allowed to live on the farms for the time until the water comes and that our rental would be the taxes."

We plead with you to give these resolutions your utmost and let us know from time to time the progress being made.

Respectfully,

Mrs. ALBERT N. WINGE,
Corresponding Secretary, Mountrail County Farmers Union.

DEPARTMENT OF DEFENSE—RESOLUTION OF CITY COUNCIL OF GREEN BAY, WIS.

Mr. WILEY. Mr. President, I have in my hand a resolution adopted by the City Council of Green Bay opposing Senate bill 1269, to convert the National Military Establishment into an executive department of the Government, to be known as the Department of Defense; to provide the Secretary of Defense with appropriate responsibility and authority, and with civilian and military assistance adequate to fulfill his enlarged responsibility; and for other purposes, which is now being reviewed by the Senate Armed Services Committee. I ask unanimous consent that the text of the resolution be appropriately referred and printed at this point in the RECORD.

There being no objection, the resolution was referred to the Committee on Armed Services, and ordered to be printed in the RECORD, as follows:

GREEN BAY, WIS., *June 7, 1949.*

Resolved, By the mayor and Council of the City of Green Bay:

Whereas, since its inception, the Marine Corps has functioned as a separate arm of the armed forces; and

Whereas the valiant and efficient record of the Marine Corps throughout the years of peace and war since its inception has proved the worthwhileness of its functioning as a separate unit; and

Whereas the Tydings bill, S. 1269, would destroy the independent operation of the Marine Corps and so submerge its identity so as to virtually mean the end of the Marine Corps as such: Now, therefore, be it

Resolved, That this council go on record as opposing the Tydings bill, S. 1269, and that the city clerk be directed to register the opposition of the City Council of the City of Green Bay to the Tydings bill with Senators WILEY and MCCARTHY and Congressman BYRNES.

LEO O'BRIEN.

PUBLIC WELFARE ACT OF 1949—LETTER FROM KNIGHTS OF COLUMBUS COUNCIL, MARSHFIELD, WIS.

Mr. WILEY. Mr. President, all of us are deeply interested in the work being performed by the House Ways and Means Committee in analyzing social security legislation. We recognize the importance of revision of the present obsolete social security set-up with its inadequate pensions, its disuniformity, and other bad features.

However, there are many fine American groups which are deeply concerned about some changes that have been proposed in the social security system. I have in my hand, for example, a letter from the Knights of Columbus, Council of Marshfield, Wis., expressing opposition to the Public Welfare Act of 1949, H. R. 2892, as tending to lead to over-centralization of control of orphans and neglected children. I feel that this resolution will be of interest to my colleagues, and I ask unanimous consent that the letter be appropriately referred and printed at this point in the RECORD.

There being no objection, the letter was referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

KNIGHTS OF COLUMBUS,
JOHN EISEN COUNCIL, No. 1799,
Marshfield, Wis., June 7, 1949.

Hon. ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: It is our understanding that bill H. R. 2892, known as the Public Welfare Act of 1949 proposes to set up a complete national pattern of direct governmental care of all orphaned and neglected children. We are also acutely aware that the tendency expressed in the appearance of this bill is already strongly present in State administrations.

We hereby wish to record our unequivocal and unyielding opposition to this bill and the tendency which it represents. We view with alarm this new attempt to encroach on the right of individual and local self-determination. We see it as another step toward that extreme centralization of authority which characterized the late dictatorships and which now is the basic operating

principle of communism in Russia. Furthermore it would result in the secularization of the care of the children involved, a prospect which is both repugnant in its religious aspect and dangerous both politically and socially.

We therefore request your most careful consideration of this bill with the view to halting the spread of the dangerous tendency which it represents.

Respectfully yours,

H. A. PROSCHAK,
Grand Knight.

(By direction expressed in unanimous vote of 600 members.)

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. TAYLOR, from the Committee on Expenditures in the Executive Departments:

S. 1946. A bill to establish a permanent National Commission on Intergovernmental Relations; with amendments (Rept. No. 488).

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

S. 1977. A bill to extend the time within which legislative employees may come within the purview of the Civil Service Retirement Act; without amendment (Rept. No. 489).

By Mr. McCARRAN, from the Committee on the Judiciary:

S. 1405. A bill to provide for the admission to, and the permanent residence in, the United States of Poon Lim; with an amendment (Rept. No. 490);

H. R. 593. A bill for the relief of Hampton Institute; without amendment (Rept. No. 491);

H. R. 716. A bill for the relief of Mark H. Potter; without amendment (Rept. No. 492);

H. R. 1136. A bill for the relief of June C. Dollar; without amendment (Rept. No. 493);

H. R. 1837. A bill to amend the Nationality Act of 1940; without amendment (Rept. No. 494);

H. R. 1858. A bill for the relief of the legal guardian of John Waipa Wilson; without amendment (Rept. No. 495);

H. R. 1981. A bill for the relief of V. O. McMillan and the legal guardian of Carolyn McMillan; without amendment (Rept. No. 496); and

H. R. 3324. A bill for the relief of the estate of the late Anastacio Acosta, and the estate of Domingo Acosta Arizmendi; without amendment (Rept. No. 497).

PRINTING OF REPORTS ON FEDERAL-STATE RELATIONS BY COUNCIL OF STATE GOVERNMENTS (S. DOC. NO. 81)

Mr. HAYDEN. Mr. President, from the Committee on Rules and Administration I report favorably, with an amendment, Senate Resolution 124, and ask unanimous consent for its present consideration. The resolution provides for the printing as a Senate document of the Report on Federal-State Relations by the Council of State Governments, prepared for the consideration of the Commission on Organization of the Executive Branch of the Government. The reason for haste is that there is to be a governors' conference in about 2 weeks.

The PRESIDENT pro tempore. The resolution will be read for the information of the Senate.

The resolution (S. Res. 124) submitted by Mr. MCCLELLAN on June 7, 1949, was read, as follows:

Resolved, That there be printed as a Senate document the report on Federal-State Relations by the Council of State Governments, prepared for the consideration of the Commission on Organization of the Executive Branch of the Government; and that 2,000 additional copies be printed for the use of the Senate Committee on Expenditures in the Executive Departments.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

Mr. WHERRY. Mr. President, reserving the right to object, I should like to have the Chairman of the Committee on Rules and Administration again state his reason for the immediate consideration of the resolution.

Mr. HAYDEN. As I have stated, the report contains, as stated on its face, information of great value to the governors' conference, which is soon to meet. If the resolution can be agreed to now, the printed copies will be available for the conference. The report has to do with the relationship between the States and the Federal Government in various fields of taxation, and in other particulars.

Mr. WHERRY. How much will the printing cost?

Mr. HAYDEN. Approximately $3,000.

Mr. WHERRY. Does this report have to do with the reorganization legislation?

Mr. HAYDEN. The information is valuable to the Committee on Expenditures in the Executive Departments, and it is valuable to the State governments, because of the interrelationships between the two.

Mr. WHERRY. Does the Senator mean that it is valuable because of the study of the finances of the Federal Government?

Mr. HAYDEN. This is one of the reports of the task force of the Hoover Commission.

Mr. WHERRY. I have no objection.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution, which had been reported from the Committee on Rules and Administration, with an amendment, on page 1, line 1, after the word "document", to insert "with illustrations."

The amendment was agreed to.

The resolution, as amended, was agreed to.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. TAYLOR:

S. 2043. A bill to provide pensions for citizens of the United States who have reached the age of 65; to the Committee on Finance.

By Mr. WILEY:

S. 2044. A bill for the relief of Alfredo Dante Perfumo; to the Committee on the Judiciary.

By Mr. JOHNSON of Colorado:

S. 2045. A bill for the relief of Florrie Groke; to the Committee on the Judiciary.

By Mr. JOHNSON of Colorado (by request):

S. 2046. A bill to provide authority for certain functions and activities of the National Bureau of Standards, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. McMAHON:

S. 2047. A bill for the relief of Marie C. Araujo, also known as Marie Conceipaco de Brito; and

S. 2048. A bill for the relief of Moe Tanger; to the Committee on the Judiciary.

By Mr. KEFAUVER:

S. 2049. A bill for the relief of R. J. McGarry; to the Committee on the Judiciary.

S. 2050. A bill for the relief of Jesse Stokes Bowling, Jr.; to the Committee on Finance.

By Mr. GREEN:

S. 2051. A bill to amend the provisions of law authorizing the granting of leave to Government employees so as to provide that such employees shall not be required to use annual leave for the purpose of preventing its accumulation; to the Committee on Post Office and Civil Service.

By Mr. IVES:

S. 2052. A bill to provide for the conferring of the degree of bachelor of science upon graduates of the United States Merchant Marine Academy; to the Committee on Interstate and Foreign Commerce.

By Mr. McCARRAN:

S. 2053. A bill for the relief of Mrs. James A. Vaughn and daughter Mary Ann Vaughn; to the Committee on the Judiciary.

(Mr. McCARTHY introduced the following bills, which were referred, as indicated, and appear under a separate heading:

S. 2054. A bill to authorize the President to determine the form of the National Budget and of departmental estimates, to modernize and simplify Government accounting and auditing methods and procedures, and for other purposes; to the Committee on Expenditures in the Executive Departments.

S. 2055. A bill making changes in law applicable to the Department of Agriculture so as to permit the effectuation by the President and the Secretary of Agriculture of the recommendations regarding the Department made by the Commission on Organization of the Executive Branch of the Government; to the Committee on Agriculture and Forestry.

S. 2056. A bill to provide for an additional Assistant Secretary of Commerce, and to give the Secretary of Commerce authority to reorganize his Department, so as to facilitate the effectuation by the President and the Secretary of Commerce of the recommendations regarding the Department of Commerce made by the Commission on Organization of the Executive Branch of the Government; to the Committee on Interstate and Foreign Commerce.

S. 2057. A bill making certain changes in law applicable to the Department of the Interior so as to permit the effectuation by the President and the Secretary of the Interior of the recommendations regarding the Department made by the Commission on Organization of the Executive Branch of the Government; to the Committee on Interior and Insular Affairs.

S. 2058. A bill making certain changes in laws applicable to the Department of the Treasury so as to permit the effectuation by the President and the Secretary of the Treasury of the recommendations regarding the Department of the Treasury made by the Commission on Organization of the Executive Branch of the Government; to the Committee on Finance.

S. 2059. A bill making certain changes in laws applicable to regulatory agencies of the Government so as to effectuate the recommendations regarding regulatory agencies made by the Commission on Organization of the Executive Branch of the Government;

S. 2060. A bill to establish a Department of Welfare; and

S. 2061. A bill to create a commission to make a study of the administration of overseas activities of the Government, and to make recommendations to Congress with respect thereto; to the Committee on Expenditures in the Executive Departments.)

(Mr. McCARTHY also introduced Senate bill 2062, making various changes in laws applicable to the Post Office Department in order to furnish a basis for a reorganization of the Department, and for other purposes, which was referred to the Committee on Post Office and Civil Service, and appears under a separate heading.)

By Mr. CONNALLY (by request):

S. J. Res. 106. Joint resolution granting permission to Vernon G. MacKenzie, Sanitary Engineer Director, Public Health Service, to accept and wear a certain decoration bestowed upon him by the King of Greece; and

S. J. Res. 107. Joint resolution granting permission to Hildrus A. Poindexter, Senior Surgeon (Reserve), and Mary L. Mills, Senior Assistant Nurse Officer, of the Public Health Service, to accept the diplomas and wear the insignia of certain decorations bestowed upon them by Liberia; to the Committee on Foreign Relations.

(Mr. McCLELLAN (for himself, Mr. TYDINGS, Mr. WHERRY, Mr. REED, Mr. YOUNG, Mr. RUSSELL, Mr. BRIDGES, Mr. BYRD, Mr. EASTLAND, Mr. FULBRIGHT, Mr. FERGUSON, Mr. HOEY, Mr. IVES, Mr. McCARTHY, Mr. WILEY, Mr. MUNDT, Mr. O'CONOR, Mr. SCHOEPPEL, Mrs. SMITH of Maine, Mr. GILLETTE, Mr. DOUGLAS, Mr. KEM, Mr. BRICKER, Mr. CAPEHART, Mr. ECTON, Mr. JENNER, Mr. MILLIKIN, Mr. BREWSTER, Mr. ELLENDER, and Mr. ROBERTSON) introduced Senate Joint Resolution 108, to reduce expenditures in Government for the fiscal year 1950 consistent with the public interest, which was referred to the Committee on Expenditures in the Executive Departments, and appears under a separate heading.)

REORGANIZATION OF GOVERNMENT—INTRODUCTION OF BILLS

Mr. McCARTHY. Mr. President, I introduce for appropriate reference eight bills relating to reorganization of the Government, and I ask unanimous consent that I may proceed a few minutes in connection therewith.

The PRESIDENT pro tempore. The bills will be received and appropriately referred, and, without objection, the Senator may proceed. The Chair hears no objection.

The bills introduced by Mr. McCARTHY were severally read twice by their titles, and referred as indicated:

S. 2054. A bill to authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify Government accounting and auditing methods and procedures, and for other purposes; to the Committee on Expenditures in the Executive Departments.

S. 2055. A bill making changes in law applicable to the Department of Agriculture so as to permit the effectuation by the President and the Secretary of Agriculture of the recommendations regarding the Department made by the Commission on Organization of the Executive Branch of the Government; to the Committee on Agriculture and Forestry.

S. 2056. A bill to provide for an additional Assistant Secretary of Commerce, and to give the Secretary of Commerce authority to reorganize his Department, so as to facilitate the effectuation by the President and the Secretary of Commerce of the recommendations regarding the Department of Commerce made by the Commission on Organization of the Executive Branch of the Government; to the Committee on Interstate and Foreign Commerce.

S. 2057. A bill making certain changes in law applicable to the Department of the Interior so as to permit the effectuation by the President and the Secretary of the Interior of the recommendations regarding the Department made by the Commission on Organization of the Executive Branch of the Government; to the Committee on Interior and Insular Affairs.

S. 2058. A bill making certain changes in laws applicable to the Department of the Treasury so as to permit the effectuation by the President and the Secretary of the Treasury of the recommendations regarding the Department of the Treasury made by the Commission on Organization of the Executive Branch of the Government; to the Committee on Finance.

S. 2059. A bill making certain changes in laws applicable to regulatory agencies of the Government so as to effectuate the recommendations regarding regulatory agencies made by the Commission on Organization of the Executive Branch of the Government;

S. 2060. A bill to establish a Department of Welfare; and

S. 2061. A bill to create a Commission to make a study of the administration of overseas activities of the Government, and to make recommendations to Congress with respect thereto; to the Committee on Expenditures in the Executive Departments.

Mr. McCARTHY. Mr. President, I should like to state, first, that the bills which I have introduced are not the result of work on my part, but the result of almost unlimited work on the part of the Hoover Commission. The bills which I have introduced have been drafted by the legal staff of the Hoover Commission.

At this time I wish to express a thought which has been in the minds of all members of the Committee on Expenditures in the Executive Departments. The chairman of that committee, the Senator from Arkansas [Mr. McCLELLAN] has been doing what we consider to be an outstanding job. He has been conducting a completely nonpartisan, nonpolitical study of the Hoover Commission recommendations. To this date he has succeeded in the unusual accomplishment of having every piece of legislation reported from that committee approved by a unanimous vote, despite the fact among the membership of the committee is represented a vast range of opinions and political philosophies, all the way from the opinions and philosophy of the Senator from Idaho [Mr. TAYLOR], for example, to those of the Senator from Mississippi [Mr. EASTLAND]. Up to this time every bill which has been reported from that committee has been reported by a unanimous vote. I think that is a great tribute to the chairman of the committee. I think the people of the Nation will owe the Senator from Arkansas a great debt of gratitude if and when the Hoover Commission recommendations are enacted into law.

ECONOMY IN GOVERNMENT EXPENDITURES

Mr. McCLELLAN. Mr. President, I ask unanimous consent to make an announcement at this time.

The PRESIDENT pro tempore. Without objection, the Senator from Arkansas may proceed.

Mr. McCLELLAN. This morning the Committee on Expenditures in the Executive Departments approved a joint resolution to be introduced today for myself and certain other Senators. It is a measure dealing with the subject of economy. It is in line with measures introduced by the Senator from Maryland [Mr. TYDINGS], the Senator from Nebraska [Mr. WHERRY], and other Senators. The joint resolution is the committee's product. The committee worked it out. A number of Senators have expressed a desire to join as sponsors in introducing the joint resolution. So I make the announcement that the joint resolution will be on the clerk's desk during today and we shall be very happy to have any Senator who wishes to join as cosponsor do so.

The joint resolution (S. J. Res. 108) to reduce expenditures in Government for the fiscal year 1950 consistent with the public interest, introduced by Mr. McCLELLAN (for himself, Mr. TYDINGS, Mr. WHERRY, Mr. REED, Mr. YOUNG, Mr. RUSSELL, Mr. BRIDGES, Mr. BYRD, Mr. EASTLAND, Mr. FULBRIGHT, Mr. FERGUSON, Mr. HOEY, Mr. IVES, Mr. McCARTHY, Mr. WILEY, Mr. MUNDT, Mr. O'CONOR, Mr. SCHOEPPEL, Mrs. SMITH of Maine, Mr. GILLETTE, Mr. DOUGLAS, Mr. KEM, Mr. BRICKER, Mr. CAPEHART, Mr. ECTON, Mr. JENNER, Mr. MILLIKIN, Mr. BREWSTER, Mr. ELLENDER, and Mr. ROBERTSON), was received, read twice by its title, and referred to the Committee on Expenditures in the Executive Departments.

Subsequently,

Mr. McCLELLAN, from the Committee on Expenditures in the Executive Departments, to which was referred the joint resolution (S. J. Res. 108) to reduce expenditures in Government for the fiscal year 1950 consistent with the public interest, reported it without amendment and submitted a report (No. 498) thereon.

LEAVES OF ABSENCE

Mr. PEPPER. Mr. President, I ask unanimous consent that my colleague [Mr. HOLLAND], who is in Florida upon public business today and tomorrow, may be excused from attendance upon the sessions of the Senate for those 2 days.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MUNDT asked and obtained consent to be absent from the session of the Senate tomorrow for the purpose of participating in the annual Flag Day exercises at Philadelphia, Pa.

FARM SURPLUSES AND THEIR SOLUTION—ADDRESS BY SENATOR WHERRY

[Mr. WHERRY asked and obtained leave to have printed in the RECORD an address entitled "Farm Surpluses and Their Solution," delivered by him before the Nebraska Stock Growers' Association at Alliance, Nebr., on June 10, 1949, which appears in the Appendix.]

WORLD PEACE OR A WORLD IN PIECES—ADDRESS BY SENATOR TOBEY

[Mr. TOBEY asked and obtained leave to have printed in the RECORD an address entitled "World Peace or a World in Pieces," delivered by him before the United World Federalists, at Madison Square Garden, New York City, on June 9, 1949, which appears in the Appendix.]

ADDRESS BY SENATOR LANGER AT CONVENTION OF UNITED LABOR PARTY

[Mr. LANGER asked and obtained leave to have printed in the RECORD an address delivered by him at the convention of the United Labor Party in Cleveland, Ohio, on June 12, 1949, which appears in the Appendix.]

ADDRESS BY HON. TRYGVE LIE AT THE UNIVERSITY OF CHATTANOOGA

[Mr. KEFAUVER asked and obtained leave to have printed in the RECORD the text of an address delivered by Hon. Trygve Lie, United Nations Secretary-General, at the University of Chattanooga on June 6, 1949, which appears in the Appendix.]

THE WORK OF THE TVA—COMPOSITION BY PHIL WHITAKER, JR.

[Mr. KEFAUVER asked and obtained leave to have printed in the RECORD a composition entitled "The Work of the TVA," written by Phil Whitaker, Jr., of Chattanooga, Tenn., which appears in the Appendix.]

ADDRESS BY ALEX HILLMAN AT COMMENCEMENT EXERCISES OF PACIFIC UNIVERSITY

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD the address delivered by Alex Hillman, at the commencement exercises of Pacific University, which appears in the Appendix.]

HOW MUCH DO PEOPLE CARE?—ARTICLE BY WHEELER McMILLEN

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD an article entitled "How Much Do People Care?" written for the Pathfinder magazine by Wheeler McMillen, publisher, which appears in the Appendix.]

BACK POST-OFFICE EMPLOYEES—EDITORIAL FROM THE NEW YORK WORLD-TELEGRAM

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an editorial entitled "Back Post-Office Employees," published in the New York World-Telegram of June 9, 1949:

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BACK POST-OFFICE EMPLOYEES

Congress would be unfair to some 375,000 faithful post-office workers if it ended its current session without acting on their cost-of-living and other requests which are, briefly:

Salary increase of $650 a year for all postal employees.

Vacation of 26 days and 15 days' sick leave. This is what other Federal employees get now, whereas postal employees are allowed only a present 15 days' vacation and 10 days' sick leave.

Service in the armed forces in World War II to be credited as time employed in the post office for promotion in automatic pay grades.

Past service credits in longevity grades for older workers.

Retirement at a full annuity after 30 years of service, with minimum age 55.

The above are what seem reasonable equalizations urged upon congressional committees by the more than 18,000 members of the Joint Conference of Affiliated Postal Employees (A. F. of L.) in Greater New York and vicinity, through their legislative representative, Jerome J. Strauber.

These postal employees, remember, have no strike weapon. For fair treatment in the matter of wage and living standards, they have to rely solely on Congress and pressure of public opinion.

Amid "rounds" of industrial wage boosts the public should be in no mood to see post office workers forced to take extra jobs to eke out insufficient incomes the Post Office Department is against raising unless it gets bigger revenues.

Nothing compels Congress to neglect postal personnel while handing out pay increases for other Federal employee groups.

Nor has Congress ever yet declared the Post Office must be self-supporting, no matter how its own employees may suffer.

The danger is that Congress may stall along on these postal workers' requests until it can suddenly pretend it's too late.

To prevent that, it's up to the public to do some prompt and pointed prodding. Letters and telegrams to Congressmen are still delivered—often with marked effect.

NATIONAL COMMITTEE FOR FREE EUROPE, INC.

Mr. HENDRICKSON. Mr. President, I ask unanimous consent that there be printed in the body of the RECORD two statements, one by the distinguished senior Senator from New Jersey, my colleague [Mr. SMITH], in respect to Hon. Joseph C. Grew, former Under Secretary of State and Ambassador to Japan at the time of the Pearl Harbor attack, who has been made chairman of the National Committee for Free Europe, Inc., and the other a declaration of policy of the National Committee for Free Europe, Inc., including a statement to the press by Mr. Grew.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR SMITH

JUNE 13, 1949.

Mr. President, I have just been advised that Hon. Joseph C. Grew, former Under Secretary of State and Ambassador to Japan at the time of the Pearl Harbor attack, has recently been made chairman of an important voluntary committee entitled "National Committee for Free Europe, Inc."

This committee, which has a distinguished list of sponsors, in addition to Mr. Grew, aims to give special aid to those democratic leaders who have escaped from eastern Europe to the United States, and are prepared to continue their stand against communism, looking forward to the day when the iron curtain will fall and eastern Europe will be ripe for democratic remaking.

This undertaking appears to me to be of first importance, not only because of the distinction of the chairman but also because of the outstanding list of sponsors who have been organized to develop the program.

I ask unanimous consent to insert in the body of the RECORD a statement issued by the committee on June 1 last, together with a copy of the declaration of policy of the committee, and a copy of Chairman Grew's introductory remarks to the press on the same subject. The statement which follows includes the names of the distinguished sponsors of the new program.

STATEMENT OF NATIONAL COMMITTEE FOR FREE EUROPE, INC.

NEW YORK, N. Y., June 1.—Joseph C. Grew, former Under Secretary of State and Ambassador to Japan at the time of Pearl Harbor, today announced the formation of the National Committee for Free Europe, Inc.

Among the sponsors of the new organization, of which Mr. Grew is chairman, are: Frank Altschul, treasurer; Hamilton Fish Armstrong; A. A. Berle, Jr.; Francis Biddle; Robert Woods Bliss; James B. Carey; Hugh A. Drum; Allen W. Dulles; Dwight D. Eisenhower; Mark F. Ethridge; William Green; Charles R. Hook; Arthur Bliss Lane; Henry R. Luce; Arthur W. Page; Dewitt C. Poole, executive secretary; Charles M. Spofford; Charles P. Taft; Dewitt Wallace; Matthew Woll; and James A. Farley.

The objective of the committee, Mr. Grew stated, will be to help those democratic leaders who have escaped to the United States from Communist oppression in eastern Europe.

"In addition to maintaining the American tradition of hospitality to political refugees," he said, "we will aid these leaders to continue their stand against communism, anticipating the day when the iron curtain will fall and eastern Europe will be ripe for democratic remaking:

"Specifically," Mr. Grew continued, "the committee will assist these leaders:

"1. To maintain themselves in useful occupations during their enforced stay in the United States.

"2. To come to know the people of the United States and to understand their spirit and aims.

"3. To engage in efforts by radio, press, and other means to keep alive in their fellow citizens in Europe the ideals of individual and national freedom.

"4. To establish effective means of cooperation with like-minded European leaders in the United States and to coordinate their plans with those of similar leaders abroad.

"The committee will encourage these leaders to maintain in this country national committees which will stand as symbols of democratic hope to their peoples—the peoples of Bulgaria, Czechoslovakia, Hungary, Poland, Rumania, and Yugoslavia, to whom at Yalta in 1945 we promised free elections and the fundamental freedoms.

"Arms and economic aid are indispensable but by themselves are not enough. Only in the field of ideas and spiritual values can victory be lasting."

Annexed hereto are:

(a) Copy of the declaration of policy of the NCFE.

(b) Copy of Mr. Grew's introductory remarks to the press.

DECLARATION OF POLICY OF NATIONAL COMMITTEE FOR FREE EUROPE, INC.

Our Nation was founded by men who believed in individual freedom under law. They declared this in our Declaration of Independence. That Declaration, as Lincoln said, was designed to give liberty not alone to the people of this country, but hope to the world for all future time.

Much has been done to give substance to that hope, and, in the course of our history, our belief in human liberties and our power to defend them have been continuously strengthened by those millions, largely from Europe, who have found asylum from oppression within our frontiers. We declared the Monroe Doctrine so that despotism might not reach out to strangle human liberty in this hemisphere, and we have fought two great wars to destroy centers of despotism that threatened freedom everywhere.

As World War II came to a close the United States joined with Great Britain and the Soviet Union in the Declaration on Liberated Europe, signed at Yalta on February 11, 1945. In that declaration we affirmed our determination to cooperate with other peace-loving nations in building "world order under law dedicated to peace, security, freedom, and the well-being of all mankind." In particular, we pledged ourselves in that document to assist the peoples liberated from the domination of Nazi Germany "to solve by democratic means their pressing political and economic problems."

With other nations, and in the vanguard of the movement, the United States helped to plan a United Nations that would assure justice and lasting peace. At San Francisco the United Nations Charter was adopted by

statesmen acting on behalf of the peoples who were determined to reaffirm faith in fundamental human rights and the dignity and worth of the individual. Other nations, which are not members, assumed the same obligations through the provisions of treaties of peace whereby these states regained their sovereignty.

Four years have passed since the Yalta declaration was adopted and the Charter signed. Eighteen months have passed since the peace treaties with Bulgaria, Hungary, and Rumania entered into force. Yet, in the intervening period, the peoples of eastern Europe have increasingly been deprived of freedom of association, freedom of speech, freedom of worship, freedom to perform the work of their choice. Equality before the law and protection of life and property are denied. Government by representation through free elections does not exist. Meanwhile, the peoples of western Europe strive to guard their freedoms against a fifth-column attack which is without precedent for its lack of principle, its intensity and its range of action.

This situation is the direct consequence of the determination of the leaders of international communism to dominate the world through the creation of police states subservient to them. It is this which has frustrated our hopes of peace and increasingly threatens to bring on a third major war. The threat cannot be removed and stable peace achieved until the peoples of Europe are once more able to live without fear. Only as the specter of the police state is dissipated can personal liberty and individual security return.

The peoples of eastern and western Europe look to us who for the moment are the most secure in our freedom. We, on our side, are reminded by the scale of our economic aid under the Marshall plan and by the Atlantic Pact for purposes of mutual defense, that the frontiers of our security are not those of our own continent.

Action of governments alone is not enough. As American citizens we all share in the moral responsibilities assumed by our country, as we also share in the dangers. Acting together in such private associations as are appropriate and in consonance with the established views of our Government in world and human affairs, we must help to further the cause of liberty and peace.

To this end the National Committee for Free Europe, Inc., is formed.

The committee's support will be offered in particular to the intellectual and political leaders who have come temporarily to this country, seeking the freedom denied them in their own lands. It will aid them in their peaceful efforts to prepare the way toward the restoration in eastern Europe of the social, political, and religious liberties in which they and we believe.

Specifically, the committee will help these non-Fascist and non-Communist leaders:

To maintain themselves in useful occupations during their enforced stay in the United States;

To come to know the people of the United States and to understand their spirit and aims;

To engage in efforts by radio, press, and other means to keep alive among their fellow citizens in Europe the ideals of individual and national freedom;

To establish effective means of cooperation with like-minded European leaders in the United States and to coordinate their plans with those of similar leaders abroad.

The committee will rally popular support in the United States for the cause of free Europe and, in this way, will aid the cause of freedom everywhere. It will raise and dispense funds in behalf of this cause.

PORTION OF INTRODUCTORY STATEMENT TO THE PRESS BY JOSEPH C. GREW

In an immediate sense our enterprise derives from Yalta. There in 1945, as you will recall, the United States joined with the United Kingdom and the U. S. S. R. in promising to the peoples liberated from the Nazi tyranny free elections and the fundamental freedoms. The peoples in question are those of Poland, Czechoslovakia, Hungary, Rumania, Yugoslavia, and Bulgaria. That promise has not been kept.

On the contrary, a new oppression has arisen; and from that oppression the democratic leaders of the six nations mentioned have escaped abroad, so far as they could. A good number have arrived in the United States and are among us as exiles and refugees; more may come.

Our program begins with the tangible fact of the presence here of these exiles and refugees. There is an American tradition of hospitality to political refugees. The promise which we gave at Yalta remains unredeemed. More than that we have a definite self-interest in helping to keep alive, and in full vigor, political leaders who share our view of life—leaders who have refused to knuckle under, men who have not hesitated to risk their lives for their democratic faith.

As item No. 1 in our immediate program we propose—have in fact already begun—to find suitable occupations for these democratic exiles who have come to us from eastern Europe. We are setting out to find suitable positions for them in colleges and universities. We are proposing to ask others of them to prepare studies on topics for which they are especially equipped, and, of course, to accept stipends for the work done. We would not presume to offer charity but we can offer work.

At the same time we are encouraging each national group of exiles to draw together politically—all democratic elements, that is, those neither Fascist nor Communist—in order to form in their temporary American haven national committees which can stand as symbols of democratic hope for their countrymen in eastern Europe—the faithful masses in the six countries I have mentioned who still somehow preserve their heritage against the Communist oppression.

And we look forward to the day when there will no longer be an iron curtain—that day must come—and these six nations which we helped liberate from the Nazi oppression will be free of the Communist oppression and once more can organize their existence in their own way. When that time comes, there will be something close to social chaos and political vacuum, for the first effort of totalitarian regimes is to destroy all constructive elements which might build anything different from themselves. Looking forward to that historic and critical time we have in mind that, if meanwhile democratic leaders have been helped to keep alive and in vigor in the democratic havens to which they have been driven, we can hope that, returning, they can have parts in a democratic reconstruction.

Coming now to another major aim in our immediate program—we have in view an ambitious effort, and I want to say at once that I am not now in a position to tell you precisely how we are going to accomplish it. Our second purpose will be to put the voices of these exiled leaders on the air, addressed to their own peoples back in Europe, in their own languages, in the familiar tones. We shall help them also, if we can, to get their messages back by the printed word.

Of course, we are not going to compete with the Voice of America. We shall endeavor to supplement the Voice of America for the Voice is under restrictions by reason of its official character. It is our American habit not to leave everything to Government. In the field of the contest of ideas there is much which private initiative can accomplish best.

A third aim in our immediate program is to set out at once to bring the exiled political leaders into a broad contact with American life. Most of them, naturally, have settled down in New York and Washington. Few among them have the means to travel. We plan to get them out, so far as they may care to go, around the broad United States for informal gatherings and conferences or platform lectures if that is desired, before trade-unions, farm organizations, colleges and universities, civic organizations, and so on.

Our idea is to enable these proven champions of democracy to see with their own eyes how freedom and democracy are working out in the United States—with all the imperfections, but with what seems to us at least to be a generally good result. We hope that their impressions will be on balance favorable.

If their impressions are on balance favorable, these exiles and refugees will become independent witnesses to the worth of our American endeavor. Then, if we enable them to communicate by radio or printed word with their peoples in the east European homelands, their messages will not be formed of theory and hypothesis but living substance. They can testify to what the trial of freedom and democracy in the United States has brought.

That, gentlemen, stated as briefly as possible, is our immediate program. We hope that its practical bearing on the present crisis will be perceived and that we shall find support among the public. We start next week an advertising campaign and appeal for funds.

I have no doubt that as we go along other activities will be added to our program. You have our declaration of policy. Members of the committee have joined up on the basis of this declaration. The declaration makes clear that what we are doing basically is to dedicate ourselves in broad terms to the defense of freedom against the mounting Communist assault.

Let me add, then, just a word or two about our basic concept. There goes on in the world these days a struggle to determine the future of civilization. How our children are going to live depends upon the outcome.

Until not long ago we all took it for granted that the basically Christian civilization we have known for a good many centuries would continue to spread over the world and prevail by its own momentum. But now this future has been challenged very seriously. Our way of life is being assailed by every conceivable device.

Three types of defense are at hand. First, there is military preparation. On that we are spending billions. Military safeguard is indispensable certainly, but it is a safeguard only for the time being. Even if we win a war, we are still defeated by the social destitution and chaos which must ensue.

In the economic field we support the Marshall plan, very wisely. The Marshall plan promises many enduring results. Our military and economic efforts are superb, but there remains the field of ideas.

Only in the field of the contest of ideas can we hope to achieve a victory which will last. The committee's basic purpose, which we shall implement in every way which we find to be feasible as we go along, is to contribute to that lasting victory.

I have told you some of the things that we hope to do. Now I would like to ask you to do a few things for us. We have no final blueprint for the activities of this committee. We wish and need suggestions from all those who share our feeling about the final goal. We need, particularly, suggestions

from you who are so informed and alive to the problems of this period.

As I think I told you, we wish, wherever possible, to find useful activity for these foreign friends who are in our land. We believe that you may have many ideas on this subject and many concrete and practical suggestions to give us. Please let us have the value of your cooperation along these lines.

Without using any names, I will try to describe one case with which we are now concerned. An outstanding foreign correspondent, for many years a correspondent with more than one of the great news agencies, who was imprisoned by the Nazis and who more recently got out of his own land just one jump ahead of the political police, has had most valuable experiences in reporting the truth from areas where there is little or no freedom of the press. We should imagine that his experiences and ideas would be of value in any school of journalism, and he would like to put his experience to use in this field. There may be many other things with which he could usefully occupy himself. Perhaps you will have some useful hints as to effective procedure.

That leads me to another thought. We shall naturally have early relations with organized groups of foreign refugees such as the national councils that have been organized or may be organized in this country. We believe, however, that there may be many foreign friends, who, for one reason or another, may not be on such lists, but who, nonetheless, can contribute much toward the accomplishment of the task in which we are interested. We should like to receive from you, names of deserving individuals who can play an active role in the battle of ideas in which you and we are engaged.

EXECUTIVE SESSION

Mr. LUCAS. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

Mr. LUCAS. Mr. President, I ask unanimous consent that the International Wheat Agreement, which is the first item on the Executive Calendar, be passed over temporarily, and that the Senate proceed to consider the nominations on the Executive Calendar.

The PRESIDENT pro tempore. Without objection, it is so ordered, and the clerk will proceed to state the nominations on the Executive Calendar.

SECRETARY OF THE ARMY

The Chief Clerk read the nomination of Gordon Gray to be Secretary of the Army.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

COMMISSIONER OF THE DISTRICT OF COLUMBIA

The Chief Clerk read the nomination of John Russell Young to be Commissioner of the District of Columbia.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

HIGH COMMISSIONER FOR GERMANY AND CHIEF OF MISSION

The Chief Clerk read the nomination of John J. McCloy to be United States High Commissioner for Germany and Chief of Mission.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

DEPUTY ADMINISTRATOR FOR ECONOMIC COOPERATION

The Chief Clerk read the nomination of William C. Foster, to be Deputy Administrator for Economic Cooperation.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

DEPUTY UNITED STATES SPECIAL REPRESENTATIVE IN EUROPE

The Chief Clerk read the nomination of Milton Katz to be deputy United States special representative in Europe.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. LUCAS. Mr. President, I ask unanimous consent that the President be immediately notified of all nominations confirmed this day.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

That completes the list of executive nominations.

THE INTERNATIONAL WHEAT AGREEMENT

The Senate, as in Committee of the Whole, proceeded to consider the International Wheat Agreement, Executive M (81st Cong., 1st sess.), which was open for signature in Washington from March 23 to April 15, 1949, and was signed during that period on behalf of the Government of the United States of America and the governments of 40 other countries, which was read the second time, as follows:

INTERNATIONAL WHEAT AGREEMENT

The Governments parties to this Agreement,

Intending to overcome the serious hardship caused to producers and consumers by burdensome surpluses and critical shortages of wheat, and

Having resolved that it is desirable to conclude an international wheat agreement for this purpose,

Have agreed as follows:

PART 1—GENERAL

Article I—Objectives

The objectives of this Agreement are to assure supplies of wheat to importing countries and markets for wheat to exporting countries at equitable and stable prices.

Article II—Definitions

1. For the purposes of this Agreement:

"Advisory Committee on Price Equivalents" means the Committee established under Article XV.

"Bushel" means sixty pounds avoirdupois.

"Carrying charges" means the costs incurred for storage, interest and insurance in holding wheat.

"C. & f." means cost and freight.

"Council" means the International Wheat Council established by Article XIII.

"Crop-year" means the period from August 1 to July 31, except that in Article VII it means in respect of Australia and Uruguay the period from December 1 to November 30 and in respect of the United States of America the period from July 1 to June 30.

"Executive Committee" means the committee established under Article XIV.

"Exporting country" means, as the context requires, either (i) the government of a country listed in Annex B to Article III which has accepted or acceded to this agreement and has not withdrawn therefrom, or (ii) that country itself and the territories in respect of which the rights and obligations of its Government apply under Article XXIII.

"F. a. q." means fair average quality.

"F. o. b." means free on board ocean vessel.

"Guaranteed quantity" means in relation to an importing country its guaranteed purchases for a crop-year and in relation to an exporting country its guaranteed sales for a crop-year.

"Importing country" means, as the context requires, either (i) the Government of a country listed in Annex A to Article III which has accepted or acceded to this agreement and has not withdrawn therefrom, or (ii) that country itself and the territories in respect of which the rights and obligations of its Government apply under Article XXIII.

"International Trade Organization" means the organization provided for in the Havana Charter, dated March 24, 1948, or, pending the establishment of that Organization, the Interim Commission established by a resolution adopted by the United Nations Conference on Trade and Employment held in Havana from November 21, 1947 to March 24, 1948.

"Marketing costs" means all usual charges incurred in procurement, marketing, chartering, and forwarding.

"Metric ton" means 36.74371 bushels.

"Old crop wheat" means wheat harvested more than two months prior to the beginning of the current crop-year of the exporting country concerned.

"Territory" in relation to an exporting or importing country includes any territory in respect of which the rights and obligations under this Agreement of the Government of that country apply under Article XXIII.

"Transaction" means a sale for import into an importing country of wheat exported or to be exported from an exporting country, or the quantity of such wheat so sold, as the context requires. Where reference is made in this Agreement to a transaction between an exporting country and an importing country, it shall be understood to refer not only to transactions between the government of an exporting country and the government of an importing country but also to transactions between private traders and to transactions between a private trader and the government of an exporting or an importing country. In this definition "government" shall be deemed to include the government of any territory in respect of which the rights and obligations of any Government accepting or acceding to this Agreement apply under Article XXIII.

"Unfulfilled guaranteed quantity" means the difference between the quantities entered in the Council's records in accordance with Article IV in respect of any exporting or importing country for a crop-year and that country's guaranteed quantity for that crop-year.

"Wheat" includes wheat grain and, except in Article VI, wheat-flour.

2. Seventy-two units by weight of wheat-flour shall be deemed to be equivalent to one hundred units by weight of wheat grain in all calculations relating to guaranteed purchases or guaranteed sales, unless the Council decides otherwise.

PART 2—RIGHTS AND OBLIGATIONS

Article III—Guaranteed purchases and guaranteed sales

1. The quantities of wheat set out in Annex A to this Article for each importing country represent, subject to any increase or reduction made in accordance with the provisions of Part 3 of this Agreement, the guaranteed purchases of that country for each of the four crop-years covered by this Agreement.

2. The quantities of wheat set out in Annex B to this Article for each exporting country represent, subject to any increase or reduction made in accordance with the provisions of Part 3 of this Agreement, the guaranteed sales of that country for each of the four crop-years covered by this Agreement.

3. The guaranteed purchases of an importing country represent the maximum quantity of wheat which, subject to deduction of the amount of the transactions entered in the Council's records in accordance with Article IV against those guaranteed purchases,

(a) that importing country may be required by the Council, as provided in Article V, to purchase from the exporting countries at prices consistent with the minimum prices specified in or determined under Article VI, or

(b) the exporting countries may be required by the Council, as provided in Article V, to sell to that importing country at prices consistent with the maximum prices specified in or determined under Article VI.

4. The guaranteed sales of an exporting country represent the maximum quantity of wheat which, subject to deduction of the amount of the transactions entered in the Council's records in accordance with Article IV against those guaranteed sales,

(a) that exporting country may be required by the Council, as provided in Article V, to sell to the importing countries at prices consistent with the maximum prices specified in or determined under Article VI, or

(b) the importing countries may be required by the Council, as provided in Article V, to purchase from that exporting country at prices consistent with the minimum prices specified in or determined under Article VI.

5. If an importing country finds difficulty in exercising its right to purchase its unfulfilled guaranteed quantities at prices consistent with the maximum prices specified in or determined under article VI or an exporting country finds difficulty in exercising its right to sell its unfulfilled guaranteed quantities at prices consistent with the minimum prices so specified or determined, it may have resort to the procedure in article V.

6. Exporting countries are under no obligation to sell any wheat under this Agreement unless required to do so as provided in article V at prices consistent with the maximum prices specified in or determined under article VI. Importing countries are under no obligation to purchase any wheat under this Agreement unless required to do so as provided in article V at prices consistent with the minimum prices specified in or determined under article VI.

7. The quantity, if any, of wheat-flour to be supplied by the exporting country and accepted by the importing country against their respective guaranteed quantities shall, subject to the provisions of article V, be determined by agreement between the buyer and seller in each transaction.

8. Exporting and importing countries shall be free to fulfill their guaranteed quantities through private trade channels or otherwise. Nothing in this Agreement shall be construed to exempt any private trader from any laws or regulations to which he is otherwise subject.

ANNEX A TO ARTICLE III

Guaranteed purchases

Crop-year August 1 to July 31	1949/50	1950/51	1951/52	1952/53	Equivalent in bushels for each crop-year
	Thousands of metric tons*				
Austria	300	300	300	300	11,023,113
Belgium	550	550	550	550	20,209,040
Bolivia	75	75	75	75	2,755,778
Brazil	360	360	360	360	13,227,786
Ceylon	80	80	80	80	2,939,497
China	200	200	200	200	7,348,742
Colombia	20	20	20	20	734,874
Cuba	202	202	202	202	7,422,229
Denmark	44	44	44	44	1,616,723
Dominican Republic	20	20	20	20	734,874
Ecuador	30	30	30	30	1,102,311
Egypt	190	190	190	190	6,981,305
El Salvador	11	11	11	11	404,181
Greece	428	428	428	428	15,726,308
Guatemala	10	10	10	10	367,437
India	1,042	1,042	1,042	1,042	38,286,946
Ireland	275	275	275	275	10,104,520
Israel	100	100	100	100	3,674,371
Italy	1,100	1,100	1,100	1,100	40,418,081
Lebanon	65	65	65	65	2,388,341
Liberia	1	1	1	1	36,744
Mexico	170	170	170	170	6,246,431
Netherlands**	700	700	700	700	25,720,597
New Zealand	125	125	125	125	4,592,964
Nicaragua	8	8	8	8	293,950
Norway	210	210	210	210	7,716,179
Panama	17	17	17	17	624,643
Paraguay	60	60	60	60	2,204,623
Peru	200	200	200	200	7,348,742
Philippines	196	196	196	196	7,201,767
Portugal	120	120	120	120	4,409,245
Saudi Arabia	50	50	50	50	1,837,185
Sweden	75	75	75	75	2,755,778
Switzerland	175	175	175	175	6,430,149
Union of South Africa	300	300	300	300	11,023,113
United Kingdom	4,819	4,819	4,819	4,819	177,067,938
Venezuela	90	90	90	90	3,306,934
Total (37 countries)	12,418	12,418	12,418	12,418	456,283,389

*Unless the Council decides otherwise, 72 metric tons of wheat-flour shall be deemed equivalent to 100 metric tons of wheat for the purpose of relating quantities of wheat-flour to the quantities specified in this Annex.

**Quantity listed for The Netherlands includes for each crop-year 75,000 metric tons or 2,755,778 bushels for Indonesia.

ANNEX B TO ARTICLE III

Guaranteed sales

Crop-year August 1 to July 31	1949/50	1950/51	1951/52	1952/53	Equivalent in bushels for each crop-year
	Thousands of metric tons*				
Australia	2,177	2,177	2,177	2,177	80,000,000
Canada	5,527	5,527	5,527	5,527	203,069,635
France	90	90	90	90	3,306,934
United States of America**	4,574	4,574	4,574	4,574	168,069,635
Uruguay	50	50	50	50	1,837,185
Total	12,418	12,418	12,418	12,418	456,283,389

*Unless the Council decides otherwise, 72 metric tons of wheat-flour shall be deemed equivalent to 100 metric tons of wheat for the purpose of relating quantities of wheat-flour to the quantities specified in this Annex.

**In the event of the provisions of Article X being invoked by reason of a short crop it will be recognized that these guaranteed sales do not include the minimum requirements of wheat of any Occupied Area for which the United States of America has, or may assume, supply responsibility, and that the necessity of meeting these requirements will be one of the factors considered in determining the ability of the United States of America to deliver its guaranteed sales under this Agreement.

Article IV—Recording of transactions against guaranteed quantities

1. The Council shall keep records for each crop-year of those transactions and parts of transactions in wheat which are part of the guaranteed quantities in Annexes A and B to Article III.

2. A transaction or part of a transaction in wheat grain between an exporting country and an importing country shall be entered in the Council's records against the guaranteed quantities of those countries for a crop-year:

(a) provided that (i) it is at a price not higher than the maximum nor lower than the minimum specified in or determined under Article VI for that crop-year, and (ii) the exporting country and the importing country have not agreed that it shall not be entered against their guaranteed quantities; and

(b) to the extent that (i) both the exporting and the importing country concerned have unfulfilled guaranteed quantities for that crop-year, and (ii) the loading period specified in the transaction falls within that crop-year.

3. If the exporting country and the importing country concerned so agree, a transaction or part of a transaction made under an agreement for the purchase and sale of wheat entered into prior to the entry into force of Part 2 of this Agreement shall, irrespective of price but subject to the conditions in (b) of paragraph 2 of this Article, also be entered in the Council's records against the guaranteed quantities of those countries.

4. If a commercial contract or governmental agreement on the sale and purchase of wheat-flour contains a statement, or if the exporting country and the importing country concerned inform the Council that they are agreed, that the price of such wheat-flour is consistent with the prices specified in or determined under Article VI, the wheat grain equivalent of such wheat-flour shall, subject to the conditions prescribed in (a) (ii) and (b) of paragraph 2 of this Article, be entered in the Council's records against the guaranteed quantities of those countries. If the commercial contract or governmental agreement does not contain a statement of the nature referred to above and the exporting country and the importing country concerned do not agree that the price of the wheat-flour is consistent with the prices specified in or determined under Article VI, either of those countries may, unless they have agreed that the wheat grain equivalent of that wheat-flour shall not be entered in the Council's records against their guaranteed quantities, request the Council to decide the issue. Should the Council, on consideration of such a request, decide that the price of such wheat-flour is consistent with the prices specified in or determined under Article VI, the wheat grain equivalent of the wheat-flour shall be entered against the guaranteed quantities of the exporting and importing countries concerned, subject to the conditions prescribed in (b) of paragraph 2 of this Article. Should the Council, on consideration of such a request, decide that the price of such wheat-flour is inconsistent with the prices specified in or determined under Article VI, the wheat grain equivalent of the wheat-flour shall not be so entered.

5. The Council shall prescribe rules of procedure, in accordance with the following provisions, for the reporting and recording of transactions which are part of the guaranteed quantities:

(a) Any transaction or part of a transaction, between an exporting country and an importing country, qualifying under paragraph 2, 3, or 4 of this article to form part of the guaranteed quantities of those countries shall be reported to the Council within such period and in such detail and by one or both of those countries as the Council shall lay down in its rules of procedure.

(b) Any transaction or part of a transaction reported in accordance with the provisions of subparagraph (a) shall be entered in the Council's records against the guaranteed quantities of the exporting country and the importing country between which the transaction is made.

(c) The order in which transactions and parts of transactions shall be entered in the Council's records as against the guaranteed quantities shall be prescribed by the Council in its rules of procedure.

(d) The Council shall, within a time to be prescribed in its rules of procedure, notify each exporting country and each importing country of the entry of any transaction or part of a transaction in the Council's records against the guaranteed quantities of that country.

(e) If, within a period which the Council shall prescribe in its rules of procedure, the importing country or the exporting country concerned objects in any respect to the entry of a transaction or part of a transaction in the Council's records against its guaranteed quantities, the Council shall review the matter and, if it decides that the objection is well-founded, shall amend its records accordingly.

(f) If any exporting or importing country considers it probable that the full amount of wheat already entered in the Council's records against its guaranteed quantity for the current crop-year will not be loaded within that crop-year, that country may request the Council to make appropriate reductions in the amounts entered in its records. The Council shall consider the matter and, if it decides that the request is justified, shall amend its records accordingly.

(g) Any wheat purchased by an importing country from an exporting country and resold to another importing country may by agreement of the importing countries concerned, be entered against the unfulfilled guaranteed purchases of the importing country to which the wheat is finally resold provided that a corresponding reduction is made in the amount entered against the guaranteed purchases of the first importing country.

(h) The Council shall send to all exporting and importing countries, weekly or at such other interval as the Council may prescribe in its rules of procedure, a statement of the amounts entered in its records against guaranteed quantities.

(i) The Council shall notify all exporting and importing countries immediately when the guaranteed quantity of any exporting or importing country for any crop-year has been fulfilled.

6. Each exporting country and each importing country may be permitted, in the fulfillment of its guaranteed quantities, a degree of tolerance to be prescribed by the Council for that country on the basis of the size of its guaranteed quantities and other relevant factors.

Article V—Enforcement of rights

1. (a) Any importing country which finds difficulty in purchasing its unfulfilled guaranteed quantity for any crop-year at prices consistent with the maximum prices specified in or determined under Article VI may request the Council's help in making the desired purchases.

(b) Within three days of the receipt of a request under subparagraph (a) the Secretary of the Council shall notify those exporting countries which have unfulfilled guaranteed quantities for the relevant crop-year of the amount of the unfulfilled guaranteed quantity of the importing country which has requested the Council's help and invite them to offer to sell wheat at prices consistent with the maximum prices specified in or determined under Article VI.

(c) If within fourteen days of the notification by the Secretary of the Council under subparagraph (b) the whole of the unfulfilled guaranteed quantity of the importing country concerned, or such part thereof as in the opinion of the Council is reasonable at the time the request is made, has not been offered for sale, the Council, having regard to any circumstances which the exporting and the importing countries may wish to submit for consideration and in particular to the industrial programs of any country as well as to the normal traditional volume and ratio of imports of wheat-flour and wheat grain imported by the importing country concerned, shall, within seven days, decide the quantities, and also if requested to do so the quality and grade, of wheat grain and/or wheat-flour which it is appropriate for each or any of the exporting countries to sell to that importing country for loading during the relevant crop-year.

(d) Each exporting country required by the Council's decision under subparagraph (c) to offer quantities of wheat grain and/or wheat-flour for sale to the importing country shall, within thirty days from the date of that decision, offer to sell those quantities to such importing country for loading during the relevant crop-year at prices consistent with the maximum prices specified in or determined under Article VI and, unless those countries agree otherwise, on the same conditions regarding the currency in which payment is to be made as prevail generally between them at that time. If no trade relations have hitherto existed between the exporting country and the importing country concerned and if those countries fail to agree on the currency in which payment is to be made, the Council shall decide the issue.

(e) In case of disagreement between an exporting country and an importing country on the quantity of wheat-flour to be included in a particular transaction being negotiated in compliance with the Council's decision under subparagraph (c), or on the relation of the price of such wheat-flour to the maximum prices of wheat grain specified in or determined under Article VI, or on the conditions on which the wheat grain and/or wheat-flour shall be bought and sold, the matter shall be referred to the Council for decision.

2. (a) Any exporting country which finds difficulty in selling its unfulfilled guaranteed quantity for any crop-year at prices consistent with the minimum prices specified in or determined under Article VI may request the Council's help in making the desired sales.

(b) Within three days of the receipt of a request under subparagraph (a) the Secretary of the Council shall notify those importing countries which have unfulfilled guaranteed quantities for the relevant crop-year of the amount of the unfulfilled guaranteed quantity of the exporting country which has requested the council's help and invite them to offer to purchase wheat at prices consistent with the minimum prices specified in or determined under Article VI.

(c) If within fourteen days of the notification by the secretary of the Council under subparagraph (b) the whole of the unfulfilled guaranteed quantity of the exporting country concerned, or such part thereof as in the opinion of the Council is reasonable at the time the request is made, has not been purchased, the Council, having regard to any circumstances which the exporting and the importing countries may wish to submit for consideration and in particular to the industrial programs of any country as well as to the normal traditional volume and ratio of imports of wheat-flour and wheat grain imported by the importing countries concerned, shall, within seven days, decide the quantities, and also if requested to do so the quality and grade of wheat grain and/or wheat-flour which it is appropriate for each or any of the importing countries to purchase from that exporting country for loading during the relevant crop-year.

(d) Each importing country required by the Council's decision under subparagraph (c) to offer to purchase quantities of wheat grain and/or wheat-flour from the exporting country shall, within thirty days from the date of that decision, offer to purchase those quantities from such exporting country for loading during the relevant crop-year at prices consistent with the minimum prices specified in or determined under Article VI and, unless those countries agree otherwise, on the same conditions regarding the currency in which payment is to be made as prevail generally between them at that time. If no trade relations have hitherto existed between the exporting country and the importing country concerned and if those countries fail to agree on the currency in which payment is to be made, the Council shall decide the issue.

(e) In case of disagreement between an exporting country and an importing country on the quantity of wheat-flour to be included in a particular transaction being negotiated in compliance with the Council's decision under subparagraph (c), or on the relation of the price of such wheat-flour to the minimum prices of wheat grain specified in or determined under Article VI, or on the conditions on which the wheat grain and/or wheat-flour shall be bought and sold, the matter shall be referred to the Council for decision.

Article VI—Prices

1. The basic minimum and maximum prices for the duration of this Agreement shall be:

Crop-year	Minimum	Maximum
1949/50	$1.50	$1.80
1950/51	$1.40	$1.80
1951/52	$1.30	$1.80
1952/53	$1.20	$1.80

Canadian currency per bushel at the parity for the Canadian dollar, determined for the purposes of the International Monetary Fund as at March 1, 1949 for No. 1 Manitoba Northern wheat in bulk in store Fort William/Port Arthur. The basic minimum and maximum prices, and the equivalents thereof hereafter referred to, shall exclude such carrying charges and marketing costs as may be agreed between the buyer and the seller.

2. The equivalent maximum prices for bulk wheat for:

(a) No. 1 Manitoba Northern wheat in store Vancouver shall be the maximum price for No. 1 Manitoba Northern wheat in bulk in store Fort William/Port Arthur specified in paragraph 1 of this Article;

(b) f. a. q. wheat f. o. b. Australia, sample wheat of France (minimum natural weight seventy-six kilograms per hectolitre; minimum protein content ten percent; maximum dockage and moisture content two per cent and fifteen per cent respectively) f. o. b. French ports, and f. a. q. top grade wheat f. o. b. Uruguay, shall be whichever is the lower of:

(i) the maximum price for No. 1 Manitoba Northern wheat in bulk in store Fort William/Port Arthur specified in paragraph 1 of this Article converted into the currency of Australia, France, or Uruguay, as the case may be, at the prevailing rate of exchange, or

(ii) the price f. o. b. Australia, France, or Uruguay, as the case may be, equivalent to the c. & f. price in the country of destination of the maximum price for No. 1 Manitoba Northern wheat in bulk in store Fort William/Port Arthur specified in paragraph 1 of this Article, computed by using currently prevailing transportation costs and exchange rates and, in those importing countries where a quality differential is recognized, by making such allowance for difference in quality as may be agreed between the exporting country and the importing country concerned;

(c) No. 1 Hard Winter wheat f. o. b. Gulf/Atlantic ports of the United States of America shall be the price equivalent to the c. & f. price in the country of destination of the maximum price for No. 1 Manitoba Northern wheat in bulk in store Fort William/Port Arthur specified in paragraph 1 of this Article, computed by using currently prevailing transportation costs and exchange rates and by making such allowance for difference in quality as may be agreed between the exporting country and the importing country concerned; and

(d) No. 1 Soft White wheat or No. 1 Hard Winter wheat in store Pacific ports of the United States of America shall be the maximum price for No. 1 Manitoba Northern wheat in bulk in store Fort William/Port Arthur specified in paragraph 1 of this Article, computed by using the prevailing rate of exchange and by making such allowance for difference in quality as may be agreed between the exporting country and the importing country concerned.

3. The equivalent minimum price for bulk wheat for:

(a) No. 1 Manitoba Northern wheat f. o. b. Vancouver,

(b) f. a. q. wheat f. o. b. Australia,

(c) sample wheat of France (minimum natural weight seventy-six kilograms per hectolitre; minimum protein content ten per cent; maximum dockage and moisture content two per cent and fifteen per cent respectively) f. o. b. French ports,

(d) f. a. q. top grade wheat f. o. b. Uruguay,

(e) No. 1 Hard Winter wheat f. o. b. Gulf/Atlantic ports of the United States of America, and

(f) No. 1 Soft White wheat or No. 1 Hard Winter wheat f. o. b. Pacific ports of the United States of America,

shall be respectively:

the f. o. b. prices Vancouver, Australia, France, Uruguay, United States of America Gulf/Atlantic ports and the United States of America Pacific ports equivalent to the c. & f. prices in the United Kingdom of Great Britain and Northern Ireland of the minimum prices for No. 1 Manitoba Northern wheat in bulk in store Fort William/Port Arthur specified in paragraph 1 of this Article, computed by using currently prevailing transportation costs and exchange rates and, in those importing countries where a quality differential is recognized, by making such allowance for difference in quality as may be agreed between the exporting country and the importing country concerned.

4. The Executive Committee may, in consultation with the Advisory Committee on Price Equivalents, at any date subsequent to August 1, 1949, designate any description of wheat other than those specified in paragraphs 2 and 3 above and determine the minimum and maximum price equivalents thereof; provided that in the case of any other description of wheat the price equivalent of which has not yet been determined, the minimum and maximum prices for the time being shall be derived from the minimum and maximum prices of the description of wheat specified in this Article, or subsequently designated by the Executive Committee in consultation with the Advisory Committee on Price Equivalents, which is most closely comparable to such other description, by the addition of an appropriate premium or by the deduction of an appropriate discount.

5. If any exporting or importing country represents to the Executive Committee that any price equivalent established under paragraph 2, 3, or 4 of this Article is, in the light of current transportation or exchange rates or market premiums or discounts, no longer fair, the Executive Committee shall consider the matter and may, in consultation with the Advisory Committee on Price Equivalents, make such adjustments as it considers desirable.

6. If a dispute arises as to what premium or discount is appropriate for the purposes of paragraphs 4 and 5 of this Article in respect of any description of wheat specified in paragraph 2 or 3 or designated under paragraph 4 of this Article, the Executive Committee, in consultation with the Advisory Committee on Price Equivalents, shall on the request of the exporting or importing country concerned decide the issue.

7. All decisions of the Executive Committee under paragraphs 4, 5, and 6 of this Article shall be binding on all exporting and importing countries, provided that any of those countries which considers that any such decision is disadvantageous to it may ask the Council to review that decision.

8. In order to encourage and expedite the conclusion of transactions in wheat between them at prices mutually acceptable in the light of all the circumstances, the exporting and importing countries, while reserving to themselves complete liberty of action in the determination and administration of their internal agricultural and price policies, shall endeavor not to operate those policies in such a way as to impede the free movement of prices between the maximum price and the minimum price in respect of transactions in wheat into which the exporting and importing countries are prepared to enter. Should any exporting or importing country consider that it is suffering hardship as the result of such policies, it may draw the attention of the Council to the matter and the Council shall inquire into and make a report on the complaint.

Article VII—Stocks

1. In order to assure supplies of wheat to importing countries, each exporting country shall endeavor to maintain stocks of old crop wheat at the end of its crop-year at a level adequate to ensure that it will fulfill its guaranteed sales under this Agreement in each subsequent crop-year.

2. In the event of a short crop being harvested by an exporting country, particular consideration shall be given by the Council to the efforts made by that exporting country to maintain adequate stocks as required by paragraph 1 of this Article before that country is relieved of any of its obligations under Article X.

3. In order to avoid disproportionate purchases of wheat at the beginning and end of a crop-year, which might prejudice the stabilization of prices under this Agreement and render difficult the fulfillment of the obligations of all exporting and importing countries, importing countries shall endeavor to maintain adequate stocks at all times.

4. In the event of an appeal by an importing country under Article XII, particular consideration shall be given by the Council to the efforts made by that importing country to maintain adequate stocks as required by paragraph 3 of this Article before it decides in favor of such an appeal.

Article VIII—Information to be supplied to the Council

The exporting and importing countries shall report to the Council, within the time prescribed by it, such information as the Council may request in connection with the administration of this Agreement.

PART 3—ADJUSTMENT OF GUARANTEED QUANTITIES

Article IX—Adjustments in case of non-participation or withdrawal of countries

1. In the event of any difference occuring between the total of the guaranteed purchases in Annex A to Article III and the total of the guaranteed sales in Annex B to Article III as a result of any country or countries listed in Annex A or Annex B (a) not signing or (b) not depositing an instrument of acceptance of or (c) withdrawing under paragraph 5, 6, or 7 of Article XXII from or (d) being expelled under Article XIX from or (e) being found by the Council under Article XIX to be in default of the whole or part of its guaranteed quantities under this Agreement, the Council shall, without prejudice to the right of any country to withdraw from this Agreement under paragraph 6 of Article XXII, adjust the remaining guaranteed quantities so as to make the total in the one Annex equal to the total in the other Annex.

2. The adjustment under this Article shall, unless the Council decides otherwise by two-thirds of the votes cast by the exporting countries and two-thirds of the votes cast by the importing countries, be made by reducing pro rata the guaranteed quantities in Annex A or Annex B, as the case may be, by the amount necessary to make the total in the one Annex equal to the total in the other annex.

3. In making adjustments under this Article, the Council shall keep in mind the general desirability of maintaining the total guaranteed purchases and the total guaranteed sales at the highest possible level.

Article X—Adjustment in case of short crop or necessity to safeguard balance of payments or monetary reserves

1. Any exporting or importing country which fears that it may be prevented, by a short crop in the case of an exporting country or the necessity to safeguard its balance of payments or monetary reserves in the case of an importing country, from carrying out its obligations under this Agreement in respect of a particular crop-year shall report the matter to the Council.

2. If the matter reported relates to balance of payments or monetary reserves, the Council shall seek and take into account, together with all facts which it considers relevant, the opinion of the International Monetary Fund, as far as the matter concerns a country which is a member of the Fund, on the existence and extent of the necessity referred to in paragraph 1 of this Article.

3. The Council shall discuss with the reporting country the matter reported under paragraph 1 of this Article and shall decide whether such country's representations are well founded. If it finds that they are well founded, it shall decide whether and to what extent and on what conditions the reporting country shall be relieved of its guaranteed quantity for the crop-year concerned. The Council shall inform the reporting country of its decision.

4. If the Council decides that the reporting country shall be relieved of the whole or part of its guaranteed quantity for the crop-year concerned, the following procedure shall apply:

(a) The Council shall, if the reporting country is an importing country, invite the other importing countries, or, if the reporting country is an exporting country, invite the other exporting countries, to increase their guaranteed quantities for the crop-year concerned up to the amount of the guaranteed quantity of which the reporting country is relieved; provided that an increase in the guaranteed quantities of an exporting country shall require approval by the Council by two-thirds of the votes cast by the exporting countries and two-thirds of the votes cast by the importing countries if any importing country, within such period as the Council shall prescribe, objects to such increase on the ground that it will have the effect of making the balance of payments problems of that importing country more difficult.

(b) If the amount of which the importing country is relieved cannot be fully offset in the manner provided in (a) of this paragraph, the Council shall invite the exporting countries, if the reporting country is an importing country, or the importing countries, if the reporting country is an exporting country, to accept a reduction of their guaranteed

quantities for the crop-year concerned up to the amount of the guaranteed quantity of which the reporting country is relieved, after taking account of any adjustments made under (a) of this paragraph.

(c) If the total offers received by the Council from the exporting and importing countries to increase their guaranteed quantities under (a) of this paragraph or to reduce their guaranteed quantities under (b) of this paragraph exceed the amount of the guaranteed quantity of which the reporting country is relieved, their guaranteed quantities shall, unless the Council decides otherwise, be increased or reduced, as the case may be, on a pro rata basis, provided that the increase or reduction of the guaranteed quantity of any such country shall not exceed its offer.

(d) If the amount of the guaranteed quantity of which the reporting country is relieved cannot be fully offset in the manner provided in (a) and (b) of this paragraph, the Council shall reduce the guaranteed quantities in Annex A to Article III, if the reporting country is an exporting country, or in Annex B to Article III, if the reporting country is an importing country, for the crop-year concerned by the amount necessary to make the total in the one Annex equal to the total in the other Annex. Unless the exporting countries, in the case of a reduction in Annex B, or the importing countries, in the case of a reduction in Annex A, agree otherwise, the reduction shall be made on a pro rata basis, account being taken of any reduction already made under (b) of this paragraph.

Article XI—Increase of guaranteed quantities by consent

The Council may at any time, upon request by an exporting or importing country, approve an increase in the figures in one Annex for the remaining period of this Agreement if an equal increase is made in the other Annex for that period, provided that the exporting and importing countries whose figures would thereby be changed consent.

Article XII—Additional purchases in case of critical need

In order to meet a critical need which has arisen or threatens to arise in its territory, an importing country may appeal to the Council for assistance in obtaining supplies of wheat in addition to its guaranteed purchases. On consideration of such an appeal the Council may reduce pro rata the guaranteed quantities of the other importing countries in order to provide the quantity of wheat which it determines to be necessary to relieve the emergency created by the critical need, provided that it considers that such emergency cannot be met in any other manner. Two-thirds of the votes cast by the exporting countries and two-thirds of the votes cast by the importing countries shall be required for any reduction of guaranteed purchases under this paragraph.

PART 4—ADMINISTRATION

Article XIII—The Council

A. Constitution

1. An International Wheat Council is hereby established to administer this Agreement.

2. Each exporting country and each importing country shall be a voting member of the Council and may be represented at its meetings by one delegate, one alternate, and advisers.

3. Any country which the Council recognizes as an irregular exporter or an irregular importer of wheat may become a non-voting member of the Council, provided that it accepts the obligations prescribed in Article VIII and agrees to pay such membership fees as shall be determined by the Council. Each country which is a non-voting member of the Council shall be entitled to have one representative at its meetings.

4. The Food and Agriculture Organization of the United Nations, the International Trade Organization, the Interim Coordinating Committee for International Commodity Arrangements, and such other intergovernmental organizations as the Council may decide, shall each be entitled to have one non-voting representative at meetings of the Council.

5. The Council shall elect for each crop-year a Chairman and a Vice Chairman.

B. Powers and Functions

6. The Council shall establish its rules of procedure.

7. The Council shall keep such records as are required by the terms of this Agreement and may keep such other records as it considers desirable.

8. The Council shall publish an annual report and may publish any other information concerning matters within the scope of this Agreement.

9. The Council, after consultation with the International Wheat Council established under the Memorandum of Agreement approved in June 1942 and amended in June 1946, may take over the records, assets and liabilities of that body.

10. The Council shall have such other powers and perform such other functions as it may deem necessary to carry out the terms of this Agreement.

11. The Council may, by two-thirds of the votes cast by the exporting countries and two-thirds of the votes cast by the importing countries, delegate the exercise of any of its powers or functions. The Council may at any time revoke such delegation by a majority of the votes cast. Any decision made under any powers or functions delegated by the Council in accordance with this paragraph shall be subject to review by the Council at the request of any exporting or importing country made within a period which the Council shall prescribe. Any decision, in respect of which no request for review has been made within the prescribed period, shall be binding on all exporting and importing countries.

C. Voting

12. The importing countries shall hold 1,000 votes, which shall be distributed between them in the proportions which their respective guaranteed purchases for the current crop-year bear to the total of the guaranteed purchases for that crop-year. The exporting countries shall also hold 1,000 votes, which shall be distributed between them in the proportions which their respective guaranteed sales for the current crop-year bear to the total of the guaranteed sales for that crop-year. No exporting country or importing country shall have less than one vote and there shall be no fractional votes.

13. The Council shall redistribute the votes in accordance with the provisions of paragraph 12 of this Article whenever there is any change in the guaranteed purchases or guaranteed sales for the current crop-year.

14. If an exporting or an importing country forfeits its votes under paragraph 5 of Article XVII or is deprived of its votes under paragraph 3 of Article XIX, the Council shall redistribute the votes as if that country had no guaranteed quantity for the current crop-year.

15. Except where otherwise specified in this agreement, decisions of the Council shall be by a majority of the total votes cast.

16. Any exporting country may authorize any other exporting country, and any importing country may authorize any other importing country, to represent its interests and to exercise its votes at any meeting or meetings of the Council. Evidence of such authorization satisfactory to the Council shall be submitted to the Council.

D. Sessions

17. The Council shall meet at least once during each half of each crop-year and at such other times as the Chairman may decide.

18. The Chairman shall convene a Session of the Council if so requested by (a) any five delegates of the exporting and importing countries or (b) the delegate or delegates of any of the exporting and importing countries holding a total of not less than ten per cent of the total votes or (c) the Executive Committee.

E. Quorum

19. The presence of delegates with a majority of the votes held by the exporting countries and a majority of the votes held by the importing countries shall be necessary to constitute a quorum at any meeting of the Council.

F. Seat

20. The Council shall select in July 1949 its temporary seat. The Council shall select, so soon as it deems the time propitious, its permanent seat after consultation with the appropriate organs and specialized agencies of the United Nations.

G. Legal Capacity

21. The Council shall have in the territory of each exporting and importing country such legal capacity as may be necessary for the exercise of its functions under this agreement.

H. Decisions

22. Each exporting and importing country undertakes to accept as binding all decisions of the Council under the provisions of this Agreement.

Article XIV—Executive Committee

1. The Council shall establish an Executive Committee. The members of the Executive Committee shall be three exporting countries elected annually by the exporting countries and not more than seven importing countries elected annually by the importing countries. The Council shall appoint the Chairman of the Executive Committee and may appoint a Vice Chairman.

2. The Executive Committee shall be responsible to and work under the general direction of the Council. It shall have such powers and functions as are expressly assigned to it under this Agreement and such other powers and functions as the Council may delegate to it under paragraph 11 of Article XIII.

3. The exporting countries on the Executive Committee shall have the same total number of votes as the importing countries. The votes of the exporting countries shall be divided among them as they shall decide, providing that no exporting country shall have more than forty percent of the total votes of the exporting countries. The votes of the importing countries shall be divided among them as they shall decide, provided that no importing country shall have more than forty percent of the total votes of the importing countries.

4. The Council shall prescribe rules of procedure regarding voting in the Executive Committee, and may make such other provisions regarding rules of procedure in the Executive Committee as it thinks fit. A decision of the Executive Committee shall require the same majority of votes as this Agreement prescribes for the Council when making a decision on a similar matter.

5. Any exporting or importing country which is not a member of the Executive Committee may participate, without voting, in the discussion of any question before the Executive Committee whenever the latter considers that the interests of that country are affected.

Article XV—Advisory Committee on Price Equivalents

The Council shall establish an Advisory Committee on Price Equivalents consisting of representatives of three exporting countries and of three importing countries. The

Committee shall advise the Council and the Executive Committee on the matters referred to in paragraphs 4, 5, and 6 of Article VI and on such other questions as the Council or the Executive Committee may refer to it. The Chairman of the Committee shall be appointed by the Council.

Article XVI—The Secretariat

1. The Council shall have a Secretariat consisting of a Secretary and such staff as may be required for the work of the Council and of its committees.

2. The Council shall appoint the Secretary and determine his duties.

3. The staff shall be appointed by the Secretary in accordance with regulations established by the Council.

Article XVII—Finance

1. The expenses of delegations to the Council, of representatives on the Executive Committee, and of representatives on the Advisory Committee on Price Equivalents shall be met by their respective Governments. The other expenses necessary for the administration of this Agreement, including those of the Secretariat and any remuneration which the Council may decide to pay to its Chairman or its Vice-Chairman, shall be met by annual contributions from the exporting and importing countries. The contributions of each such country for each crop-year shall be proportionate to the number of votes held by it when the budget for that crop-year is settled.

2. At its first Session, the Council shall approve its budget for the period ending July 31, 1950 and assess the contribution to be paid by each exporting and importing country.

3. The Council shall, at its first Session during the second half of each crop-year, approve its budget for the following crop-year and assess the contribution to be paid by each exporting and importing country for that crop-year.

4. The initial contribution of any exporting or importing country acceding to this Agreement under Article XXI shall be assessed by the Council on the basis of the number of votes to be held by it and the period remaining in the current crop-year, but the assessments made upon other exporting and importing countries for the current crop-year shall not be altered.

5. Contributions shall be payable immediately upon assessment. Any exporting or importing country failing to pay its contribution within one year of its assessment shall forfeit its voting rights until its contribution is paid, but shall not be deprived of its other rights nor relieved of its obligations under this Agreement. In the event of any exporting or importing country forfeiting its voting rights under this paragraph its votes shall be redistributed as provided in paragraph 14 of Article XIII.

6. The Council shall, each crop-year, publish an audited statement of its receipts and expenditures in the previous crop-year.

7. The government of the country where the temporary or permanent seat of the Council is situated shall grant exemption from taxation on the salaries paid by the Council to its employees except that such exemption need not apply to the nationals of that country.

8. The Council shall, prior to its dissolution, provide for the settlement of its liabilities and the disposal of its records and assets upon the termination of this Agreement.

Article XVIII—Cooperation with other intergovernmental organizations

1. The Council shall make whatever arrangements are required for consultation and cooperation with the appropriate organs of the United Nations and its specialized agencies and with other intergovernmental organizations.

2. If the Council finds that any terms of this Agreement are materially inconsistent with such requirements as may be laid down by the United Nations or through its appropriate organs and specialized agencies regarding intergovernmental commodity agreements, the inconsistency shall be deemed to be a circumstance affecting adversely the operation of this Agreement and the procedure prescribed in paragraphs 3, 4, and 5 of Article XXII shall be applied.

Article XIX—Disputes and complaints

1. Any dispute concerning the interpretation or application of this Agreement which is not settled by negotiation and any complaint that any exporting or importing country has failed to fulfill its obligations under this Agreement, shall, at the request of any exporting or importing country party to the dispute or making the complaint, be referred to the Council which shall make a decision on the matter.

2. No exporting or importing country shall be found to have committed a breach of this Agreement except by a majority of the votes held by the exporting countries and a majority of the votes held by the importing countries. Any finding that an exporting or importing country is in breach of this Agreement shall specify the nature of the breach and, if the breach involves default by that country in its guaranteed quantities, the extent of such default.

3. If the Council finds that an exporting country or an importing country has committed a breach of this Agreement, it may, by a majority of the votes held by the exporting countries and a majority of the votes held by the importing countries, deprive the country concerned of its voting rights until it fulfills its obligations or expel that country from the Agreement.

4. If any exporting or importing country is deprived of its votes under this Article, the votes shall be redistributed as provided in paragraph 14 of Article XIII. If any exporting or importing country is found in default of the whole or part of its guaranteed quantities or is expelled from this Agreement, the remaining guaranteed quantities shall be adjusted as provided in Article IX.

PART 5—FINAL PROVISIONS

Article XX—Signature, acceptance, and entry into force

1. This Agreement shall be open for signature in Washington until April 15, 1949 by the Governments of the countries listed in Annex A and Annex B to Article III.

2. This Agreement shall be subject to acceptance by signatory Governments in accordance with their respective constitutional procedures. Subject to the provisions of paragraph 4 of this Article, instruments of acceptance shall be deposited with the Government of the United States of America not later than July 1, 1949.

3. Provided that the Governments of countries listed in Annex A to Article III responsible for not less than seventy per cent of the guaranteed purchases and the Governments of countries listed in Annex B to Article III responsible for not less than eighty per cent of the guaranteed sales have accepted this Agreement by July 1, 1949, Parts 1, 3, 4, and 5 of the Agreement shall enter into force on July 1, 1949 between those Governments which have accepted it. The Council shall fix a date which shall not be later than September 1, 1949 on which Part 2 of this Agreement shall enter into force between those Governments which have accepted it.

4. Any signatory Government which has not accepted this Agreement by July 1, 1949 may be granted by the Council an extension of time after that date for depositing its instrument of acceptance. Parts 1, 3, 4, and 5 of this Agreement shall enter into force for that Government on the date of the deposit of its instrument of acceptance, and Part 2 of the Agreement shall enter into force for that Government on the date fixed under paragraph 3 of this Article for the entry into force of that Part.

5. The Government of the United States of America will notify all signatory Governments of each signature and acceptance of this Agreement.

Article XXI—Accession

The Council may, by two-thirds of the votes cast by the exporting countries and two-thirds of the votes cast by the importing countries, approve accession to this Agreement by any Government not already a party to it and prescribe conditions for such accession. Accession shall be effected by depositing an instrument of accession with the Government of the United States of America, which will notify all signatory and acceding Governments of each such accession.

Article XXII—Duration, amendment, withdrawal and termination

1. This Agreement shall remain in force until July 31, 1953.

2. The Council shall, not later than July 31, 1952, communicate to the exporting and importing countries its recommendations regarding the renewal of this Agreement.

3. If circumstances arise which, in the opinion of the Council, affect or threaten to affect adversely the operation of this Agreement, the Council may, by a majority of the votes held by the exporting countries and a majority of the votes held by the importing countries, recommend an amendment of this Agreement to the exporting and importing countries.

4. The Council may fix a time within which each exporting and importing country shall notify the Government of the United States of America whether or not it accepts the amendment. The amendment shall become effective upon its acceptance by exporting countries which hold two-thirds of the votes of the exporting countries and by importing countries which hold two-thirds of the votes of the importing countries.

5. Any exporting or importing country which has not notified the Government of the United States of America of its acceptance of an amendment by the date on which such amendment becomes effective may, after giving such written notice of withdrawal to the Government of the United States of America as the Council may require in each case, withdraw from this Agreement at the end of the current crop-year, but shall not thereby be released from any obligations under this Agreement which have not been discharged by the end of that crop-year.

6. Any exporting country which considers its interests to be seriously prejudiced by the nonparticipation in or withdrawal from this Agreement of any country listed in Annex A to Article III responsible for more than five percent of the guaranteed quantities in that Annex, or any importing country which considers its interests to be seriously prejudiced by the nonparticipation in or withdrawal from the Agreement of any country listed in Annex B to Article III responsible for more than five per cent of the guaranteed quantities in that Annex may withdraw from this Agreement by giving written notice or withdrawal to the Government of the United States of America before September 1, 1949 or such earlier date as the Council may fix by two-thirds of the votes cast by the exporting countries and by two-thirds of the votes cast by the importing countries.

7. Any exporting or importing country which considers its national security to be endangered by the outbreak of hostilities may withdraw from this Agreement by giving thirty days' written notice of withdrawal

to the Government of the United States of America.

8. The Government of the United States of America will inform all signatory and acceding Governments of each notification and notice received under this Article.

Article XXIII—Territorial application

1. Any Government may, at the time of signature or acceptance of or accession to this Agreement, declare that its rights and obligations under the Agreement shall not apply in respect of all or any of the overseas territories for the foreign relations of which it is responsible.

2. With the exception of territories in respect of which a declaration has been made in accordance with paragraph 1 of this Article, the rights and obligations of any Government under this Agreement shall apply in respect of all territories for the foreign relations of which that Government is responsible.

3. Any Government may, at any time after its acceptance of or accession to this Agreement, by notification to the Government of the United States of America, declare that its rights and obligations under the Agreement shall apply in respect of all or any of the territories regarding which it has made a declaration in accordance with paragraph 1 of this Article.

4. Any Government may, by giving notification of withdrawal to the Government of the United States of America, withdraw from this Agreement separately in respect of all or any of the overseas territories for whose foreign relations it is responsible.

5. The Government of the United States of America will inform all signatory and acceding Governments of any declaration or notification made under this Article.

In witness whereof the undersigned, having been duly authorized to this effect by their respective Governments, have signed this Agreement on the dates appearing opposite their signatures.

Done at Washington, this twenty-third day of March 1949, in the English and French languages, both texts being equally authentic, the original to be deposited in the archives of the Government of the United States of America, which shall transmit certified copies thereof to each signatory and acceding Government.

For Australia:
EDWIN MCCARTHY Mar 23rd 1949
For Austria:
L. KLEINWAECHTER March 23rd, 1949
For Belgium:
SILVERCRUYS March 23rd, 1949.
For Bolivia:
R MARTINEZ VARGAS April 13/49
For Brazil:
WALDER LIMA SARMANHO. March 25th, 1949
For Canada:
CHARLES F WILSON March 23, 1949
For Ceylon:
G. C. S. COREA March 23, 1949
For China:
V. K. Wellington Koo March 23, 1949
For Colombia:
E GALLEGO. March 23, 1949
For Cuba:
R SARABASA. March 23, 1949.
For Denmark:
A. F. KNUDSON Mar. 23, 1949.
For the Dominican Republic:
JOAQUIN E. SALAZAR March 23, 1949.
For Ecuador:
A DILLON April 14, 1949
For Egypt:
A. HASSAN March 23rd, 1949.
For El Salvador:
SALVADOR JÁUREGUI March 23rd., 1949.
For France:
M BONNET 23 Mars 1949
For Greece:
COSTAS P. CARANICAS March 23d, 1949
For Guatemala:
I. GONZÁLEZ ARÉVALO March 23, 1949
For India:
N. G. ABHYANKAR March 23rd 1949.
R. R. SAKSENA March 23, 1949
For Ireland:
TIMOTHY O'CONNELL. March 23rd 1949
For Israel:
L. SAMUEL March 23 1949
ARTHUR C A LIVERHANT March 23, 1949
For Italy:
ALBERTO TARCHIANI March 23rd 1949
For Lebanon:
EMILE MATTAR March 23, 1949
For Liberia:
W. R. TOLBERT March 23, 1949
For Mexico:
C. M. CINTA April 15th 1949.
For the Netherlands:
J. B. RITZEMA VAN IKEMA March 23, 1949.
For New Zealand:
R. W. MARSHALL 25th March. 1949.
For Nicaragua:
ALFREDO J. SACASA March 23, 1949
For Norway:
WILHELM MUNTHE MORGENSTIERNE April 13th 1949
For Panama:
O. A. VALLARINO April 12th, 1949.
For Paraguay:

For Peru: Subject to the reservation that the guaranteed purchases in the case of Peru, specified in Annex A to Article III, shall be changed from 200.000 to 150.000 metric tons.
C DONAYRE— April 15, 1949
For the Republic of the Philippines:
EMILIO ABELLO March 23, 1949
URBANO A. ZAFRA March 23, 1949
JUSTINIANO D. QUIRINO March 23, 1949
For Portugal:
ANTONIO FERREIRA D'ALMEIDA March 23, 1949.
For Saudi Arabia:
AHMED ABDUL JABBAR March 23, 1949
For Sweden:
A AMINOFF April 11, 1949.
For Switzerland:
WERNER FUCHSS April 11, 1949.
For the Union of South Africa:
W A HORROCKS March 23rd 1949
For the United Kingdom of Great Britain and Northern Ireland:
F. S. ANDERSON March 23rd, 1949
For the United States of America:
CHARLES F. BRANNAN March 23, 1949.
ALBERT J. LOVELAND Mar. 23—1949
For Uruguay:
JUAN FELIPE YRIART March 23, 1949.
For Venezuela:
SANT E VERA April 12, 1949

I CERTIFY THAT the foregoing is a true copy of the International Wheat Agreement which was open for signature in the English and French languages at Washington from March 23, 1949 until April 15, 1949, the signed original of which is deposited in the archives of the Government of the United States of America.

IN TESTIMONY WHEREOF, I, DEAN ACHESON, Secretary of State of the United States of America, have hereunto caused the seal of the Department of State to be affixed and my name subscribed by the Authentication Officer of the said Department, at the city of Washington, in the District of Columbia, this sixteenth day of April, 1949.

DEAN ACHESON
Secretary of State
By M. P. CHAUVIN
Authentication Officer
Department of State
[SEAL]

The PRESIDENT pro tempore. The agreement is open to amendment.

Mr. THOMAS of Utah. Mr. President, on the desks of Senators are copies of the hearings on the wheat agreement, and also the agreement itself, and the reports on the agreement.

This is the second time in less than a year that a wheat agreement has been before the United States Senate. On August 6, 1948, the Foreign Relations Committee after having held hearings and considering the 1948 wheat agreement, reported it to the Senate calendar. Unfortunately, the report came at the end of a short special session and the calendar was so crowded that it was impossible for the Senate to take final action before Congress adjourned.

However, the committee did not let the matter rest there but looked forward to a resubmittal of the agreement during the Eighty-first Congress. In a unanimous report it voiced its belief in the principle of marketing commodities in surplus by international agreement. But let the report speak for itself. Here are two pertinent paragraphs:

The Senate Committee on Foreign Relations reports the international wheat agreement to the Senate Executive Calendar because of the committee's earnest belief that the principle of surplus marketing by international agreement is sound and because it wishes to encourage this objective. It will not ask for Senate consideration until early in the next Congress because of contingent factors which make it impossible, as it is also unnecessary, to apply the agreement to this year's wheat crop, and because these factors can more wisely and safely be resolved at that time.

* * * * *

The committee regrets that it was physically impossible to complete the work on the treaty at the recent regular session in the relatively few weeks available for this purpose. In view of its novelty and its complications and its controversies, there was no chance to reach a responsible finality. These complications increased in the brief recess preceding the present special session. But so also did the conviction that a useful principle is involved. So also did the committee's desire to revive the treaty and keep it open for ratification and renegotiation.

In accordance with these desires the agreement was renegotiated at a conference called for that purpose in Washington from January 26 to March 23 of this year. The new instrument was then signed and submitted to the Senate by the President on April 19, whereupon it was referred to the Foreign Relations Committee, which appointed a subcommittee to conduct hearings and to give the matter all necessary study. As to the question of the necessary study, everyone knows that any international treaty is a complicated affair. This wheat treaty is no exception. In fact, it is a pioneering effort on the part of our country, insofar as this particular matter is concerned.

In this case a deadline is involved; in order that the treaty may become effective and in order that the various nations of the world may get their houses in order so that they, too, may cooperate, if the treaty is to be in force, it must be accepted by the Senate by July 1, 1949.

Obviously that is one of the reasons for bringing up the treaty at this time. The subcommittee has done all it possibly can to meet that deadline, in order to live up to the action taken last year by the committee, on the assumption that the treaty should be renegotiated and the further assumption that the principle of the treaty is sound.

The agreement we are now considering embodies a generation of negotiations in an extended effort to stabilize the international marketing of wheat. Of course, the farmers of the United States realize perhaps more keenly than does anyone else what happens if stability comes into the wheat market and if a depression occurs and we have no exportation of wheat and no support for wheat. The farmers realize just what happens in such an event to their interests, their homes, their farms, their loans, their part payments, and all their other interests.

So the problem is an old one. In fact, one of the older international organizations is the agricultural organization; and one of the first organizations under the United Nations was the International Food and Agricultural Organization. Such organizations have constantly been studying the problem of attempting to bring stability in this field and to care for the problems of distribution, great surpluses, crop failures, lack of storage facilities, and so forth. Great parts of the world have frequently experienced severe trouble because of a lack of their basic food products.

The initial step was taken when the first wheat conference was convened in Rome in 1931. Two years later, in 1933, pursuant to the recommendations of the London International Monetary and Economic Conference, the first international wheat agreement was drafted. Of course, at that time we were in the depths of the depression. That agreement established the first export quotas for wheat, which lasted for only 2 years. The Wheat Advisory Committee, which it created, lasted until the 1940's.

In 1939 a Preparatory Committee was appointed by the Wheat Advisory Committee to draft a comprehensive wheat agreement; but the war ensued before the work could be completed.

I refer to this bit of history, Mr. President, to emphasize the fact that what has been done in this case has not been done out of the clear blue sky, but preliminary attempts have been made; and, through them, a new knowledge regarding the wheat economics of the world has developed.

In July 1941, during the war, representatives of Australia, Canada, Argentina, the United States, and Great Britain met in Washington, and succeeded in drafting a memorandum of agreement covering trade in wheat among them. That memorandum of agreement went into force and effect on July 27, 1942. The memorandum was not a full-fledged wheat agreement, but it created an International Wheat Council, and thus paved the way for a general postwar conference of the States interested in exporting and importing wheat.

After that preliminary work, a conference was held in Washington from January 28 to March 6, 1948. It resulted in the International Wheat Agreement, signed on March 6, 1948, and transmitted by the President to the Senate, for its advice and consent leading to ratification, on April 30, 1948. That agreement, in renegotiated form, is now before the Senate, and has the support of the agricultural and processing groups in the United States.

Mr. President, let me repeat what many have heard before, namely, that in 1948 there was not unanimous support for the wheat treaty. However, this year the support is general, not only from the producers of wheat, the farmers, but also from the processors of wheat, the millers, and from the organizations which have to do with the wheat trade.

In this connection, I send to the desk and ask to have read a telegram received at the end of last week from a group of persons interested in wheat, who are meeting in convention in Canada. Most of them are Americans.

The PRESIDENT pro tempore. Without objection, the telegram will be read.

The legislative clerk read as follows:

GUELPH, ONTARIO,
June 6, 1949.

ELBERT D. THOMAS,
United States Senate,
Senate Office Building:

In addition to our May 31 telegram calling your attention to the unanimity of the undersigned on the wheat agreement we now call your attention to the resolution unanimously adopted by the International Federation of Agricultural Producers in session June 2, at Guelph, Ont., "This annual conference of IFAP meeting in specially convened plenary session for this purpose strongly urges all governments of signatory countries immediately to ratify the International Wheat Agreement. It is the responsibility of producers to provide for sufficient agricultural production so that the consumer can be assured of continuity of supply. This can only be assured by stability in the basic commodity-price structure. Progress of industry and commerce generally required that world trade in wheat should be conducted within an agreed framework providing orderliness with flexibility. The International Wheat Agreement is designed to, and IFAP believe can, attain these objectives and is therefore in the interest of both exporting and importing countries. The IFAP hereby records its unanimous support of the International Wheat Agreement and repeats its declaration of the urgency of early ratification."

ALLAN B. KLINE,
American Farm Bureau Federation.
JOHN DAVIS,
National Council of Farmer Cooperatives.
JAMES G. PATTON,
National Farmers Union.
ALBERT S. GOSS,
National Grange.

Mr. THOMAS of Utah. The new pact is a refinement and an improvement upon the 1948 version. The differences between the two instruments have been set forth in the committee report. In general the 1949 agreement is improved in language, its terms are clearer, and the arrangement of articles is more lucid. Thirty-six importing countries and five exporting countries, representing roughly four-fifths of the wheat trade of the world, have signed. The number alone is significant and is in a sense a gage of the desirability of the instrument.

While the agreement embodies considerable technical detail its main outline is clear and understandable to the layman. Article I states that the objective is to assure supplies of wheat to importing countries and markets for wheat to exporting countries at equitable and stable prices. The subsequent articles provide for an international wheat council, in fact, the treaty has adopted the name of the old council which was created before the war, (1) on which all participating countries are to be represented; (2) which is responsible for keeping records for the operation of the agreement; and (3) which will serve as the agency to enforce the rights of participating countries to sell and purchase wheat under the agreement.

Since, of course, this treaty together with the aims of the governments parties to the treaty is a matter which is highly experimental, the international wheat council, which in a different way, has had existence for some years, will study this question. That in and of itself is a contribution to the great wheat industry from one end of the world to the other, because in its study the council will remove naturally many of the hazards which have arisen in the past, and it will furnish information which will contribute to the stabilization of wheat in the future.

Participating countries are allotted votes in proportion to their share of the total quantity of the wheat covered by the agreement. Each exporting country guarantees to sell a specific quantity of wheat at a specified maximum price and each importing country agrees to purchase a specific amount annually at a specified minimum price. The total guaranteed sales equal the total guaranteed purchases. While the maximum prices will remain the same for the four years during which the agreement is to run, namely $1.80 a bushel, the minimum prices will be reduced each year by 10 cents per bushel, or from $1.50 to $1.20 a bushel. Prices are fixed in Canadian dollars and quality is set in terms of No. 1 Manitoba Northern Canada wheat, in bulk in store at Fort William or Port Arthur.

Member countries which have difficulty in securing their guaranteed sales or purchases may seek the assistance of the Council in securing the contracted quantities under the agreement. All transactions over and above those contracted are not affected by the agreement.

Ratifications must be deposited by July 1, 1949, or the agreement fails to become operative. We must ratify before that date or the agreement is impossible, because in the agreement the exporting countries must be represented by 80 percent, and our total is more than 20 percent, therefore it is necessary for us to take the lead in the treaty.

The administrative machinery, which will be set up, will revolve about a central organization, the International Wheat Council, composed of representatives of all the exporting and importing

countries. It will be the primary agency responsible for carrying the agreement into effect, and it will act as a tribunal of last resort where disputes between the parties concerning the agreement will be settled. All the importing countries will have 1,000 votes and all the exporting countries will have 1,000 votes. Each country will be allocated votes in the same ratio as its guaranteed sales or purchases bears to the total sales or purchases under the agreement. The United States will have 369 of the exporting votes. While decisions will be taken by a majority vote on ordinary matters, vital decisions can only be taken by a two-thirds vote, exporting and importing countries voting separately. The latter applies to amendments, adjustments of quantity, guaranteed purchases to meet critical needs, and a number of other matters set forth in the report.

This is significant because the question has frequently been asked as to whether or not United States interests have been properly safeguarded. The answer, of course, is that in all vital matters the United States is in a position to veto action which might adversely affect her interests.

The Council will met at least once every half crop year and will be assisted by an executive committee, composed of three exporting and seven importing countries, and an advisory committee on price equivalents. The routine and administrative work will be carried on by a secretariat appointed by the Council.

The agreement runs for 4 years and covers an annual trade in wheat of 456,283,389 bushels. When the 168,000,000 bushels of wheat guaranteed under the agreement by the United States are added to the requirements of the occupied areas there is an assured annual market for United States wheat of 300,000,000 bushels for each of the next 4 years. The agreement makes due provision for the priority of wheat for the occupied areas in case any difficulty is experienced with supplying the 168,000,000 bushels guaranteed.

Last year great concern was expressed by the wheat flour interests.

Mr. LUCAS. Mr. President, before the Senator proceeds to the next line of discussion, will he yield for a question?

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from Illinois?

Mr. THOMAS of Utah. I yield.

Mr. LUCAS. Will the Senator from Utah elaborate a little on the 300,000,000 bushels guaranteed, according to his statement, for export by this country to certain other nations parties to the treaty?

Mr. THOMAS of Utah. Our country guarantees 168,000,000 bushels.

Mr. LUCAS. I understand that part of it.

Mr. THOMAS of Utah. The portion of the 300,000,000 bushels we shall have to send to the occupied areas for which we are responsible, under other arrangements, has nothing at all to do with this.

Mr. LUCAS. The Senator is now talking, I presume, of the Marshall plan.

Mr. THOMAS of Utah. No.

Mr. LUCAS. When the Senator says "occupied areas," to what does he refer? Will the Senator explain that a little bit?

Mr. THOMAS of Utah. I refer to areas for which the United States is responsible, principally Germany and Japan. We are now exporting in the neighborhood of 150,000,000 bushels of wheat a year to those areas.

Mr. LUCAS. But, under the International Wheat Agreement we are now debating, 168,000,000 bushels is the maximum amount which would go to the countries that are involved. Am I correct in that?

Mr. THOMAS of Utah. That is correct.

Mr. LUCAS. If we have a surplus of 300,000,000 bushels, then we shall have to look for other places for the purpose of disposing of that surplus, though at the present time, due to conditions following the war, we can dispose of the remainder in Japan and Germany, and, presumably, to some extent, under the Marshall plan. I do not know the amount.

Mr. THOMAS of Utah. Very much of it could be disposed of under the Marshall plan. I think I should say that the guaranty is a minimum one, so far as our exportations are concerned. It does not interfere with countries purchasing wheat; it does not interfere with the ordinary wheat trade at all, except to the extent that we have to guarantee the export of that much when it is asked for.

Mr. LUCAS. Mr. President, will the Senator yield for a further question?

Mr. THOMAS of Utah. I yield.

Mr. LUCAS. As I understand, certain exporting countries agree to sell, upon request, to importing countries certain quotas of wheat at maximum prices.

Mr. THOMAS of Utah. That is correct.

Mr. LUCAS. Who fixes the minimum and maximum prices?

Mr. THOMAS of Utah. The maximum and minimum are fixed in the treaty itself.

Mr. LUCAS. So there cannot be any question about it?

Mr. THOMAS of Utah. No. Last year great concern was expressed by the wheat and flour interests because they feared that the pressure of so much wheat would promote milling in countries where none now exists, and would thus interfere with traditional wheat flour markets of the United States. The 1949 agreement makes proper safeguard at this point. Wheat flour can be substituted for wheat grain according to an agreed-upon formula for fulfillment of obligations under the contract if the buyer and seller agree. Where countries cannot agree on the relative amounts of wheat grain and wheat flour, which they are to buy and sell, the Council determines the proportions. Even if there be fear that we are sending out too much wheat, the buyer and the seller can make negotiations through the Wheat Council to make proper adjustment. That is proper, because the whole aim is stability; the whole aim is to try to keep the international wheat market on a stable basis so that importing countries can count upon their necessary wheat and so that exporting countries will not be met with surpluses.

Mr. LUCAS. Mr. President, will the Senator yield further?

Mr. THOMAS of Utah. I yield.

Mr. LUCAS. Am I correct in my understanding that, last year, when the treaty was being debated, the processors were against the treaty for that reason, and that now, because of arrangements for the proper determination of ratios, the processors are no longer objecting?

Mr. THOMAS of Utah. That is true. I think, in addition to that, the processors generally did not understand the meaning of the wheat agreement, because they were not parties to the negotiations. In negotiating the 1949 treaty they were invited into the negotiations. They properly should be present. So this treaty is an improvement on the other treaty, to the extent that it has become more universal in its aim and desire. I think all those things put together make it possible to receive support from persons on all sides of the economic picture in regard to wheat.

In reaching its decision the Council is directed to consider the industrial programs of the countries involved as they may bear upon the problem, and also to take into account the normal traditional volume and ratio of wheat flour to wheat grain brought in annually by the importing countries concerned.

Another matter which came up constantly during the committee's study was the amount of the subsidy that will be required to make the agreement operate. The exact amount will depend upon the price of wheat. The President's budget carries an estimated $56,000,000 for subsidy purposes, but that figure was based upon the expectation that we could secure the same maximum as last year, or $2 a bushel for wheat. As Senators know, the maximum in the agreement is $1.80, and on the basis of that figure and wheat prices as of March 1, 1949, it is now estimated that the cost for subsidy purposes will be about $84,000,000 for the 1949–50 market year. While it is expected that $84,000,000 will be required in the first year of the agreement, the need of a subsidy will decline or disappear in the last years. If we recall that the wheat trade operates under a price-support program, the subsidy here in question becomes relatively small. As a matter of fact, it is expected that a large part of that subsidy will be returned to the United States Treasury due to savings by ECA in its purchases of wheat. ECA estimates that if it can buy wheat at $1.80 a bushel under the agreement it can save $60,000,000 of its estimated cost for the coming year, and its appropriations for the current year have been cut to that extent. Thus, it would appear that the subsidy figures will be offset by savings of a substantial character.

This is probably the most complicated feature of the economics in connection with the treaty. In the first place, we have to support prices, and that goes on regardless of whether we have a treaty or do not have one. But the price of the wheat in the ordinary market is another factor which has to be considered with

reference to exactly how much parity money or how much subsidy money goes into this particular wheat. It is highly complicated, and it might become controversial because of its complications. But I think we can say, in general, that so long as the Federal Government has a support policy in the production of wheat and for maintenance of price, the comparatively small amount which figures under the provisions of the wheat treaty is such that, in the long run, considering all factors, the treaty really and truly does not affect the governmental cost very much, because it both gains and gives.

Mr. LUCAS. Mr. President, will the Senator yield for another question along that line?

Mr. LODGE. Mr. President, we cannot hear the questions of the Senator from Illinois.

Mr. LUCAS. I regret that the Senator cannot hear me. I want to make an observation along the line which the Senator from Utah has just been discussing. As I understand, under this agreement we are going to export 168,000,000 bushels of wheat. We have support prices, as the Senator says. So, does not the treaty really have this effect? Under the support price, the Government might be compelled to take over a number of millions of bushels of wheat and perhaps might be compelled to hold it, while, on the other hand, we are guaranteeing that 168,000,000 bushels of wheat will be exported to certain countries, and from the viewpoint, at least, of the 168,000,000 bushels of wheat we are better off than we would be directly under a support program and nothing else. Is that correct?

Mr. THOMAS of Utah. There, again, I cannot answer the question "Yes" or "No." Let us say we have a surplus of wheat, and all of a sudden there is a great scarcity and the price goes up; or let us say we have an added surplus, and the price goes down. We have to support it in relation to those prices. An exact answer will never be possible. Of course the answer to the Senator's question is, relatively speaking, "Yes."

Mr. LUCAS. Insofar as this year is concerned, when the Senator says we may have to subsidize the wheat growers of this country in the amount of $84,000,000——

Mr. THOMAS of Utah. Providing the amount of wheat remains as it is.

Mr. LUCAS. So far as this year is concerned, we are much better off with the treaty, by being able to export 168,000,000 bushels of wheat to the countries which are parties to the treaty, rather than taking a chance on the Government, under the support program, being compelled to take over the 168,000,000 bushels of wheat, not knowing what it will be able to do with it.

Mr. THOMAS of Utah. The whole international economy is at least better off by the amount of money received from the exports.

Mr. THYE. Mr. President, will the Senator from Utah yield?

Mr. THOMAS of Utah. I yield to the Senator from Minnesota.

Mr. THYE. Did I understand the Senator correctly to say that the ECA requirements would be taken out of the 168,000,000 bushels provided for in the treaty?

Mr. THOMAS of Utah. The ECA requirements are outside of that.

Mr. THYE. I understood the Senator to say that there will be a saving to the ECA, in that the ECA would make the purchases out of this wheat, even though there would be a subsidy payment under the lower price agreed to in the treaty.

Mr. THOMAS of Utah. They will make their savings because, so far as the ECA wheat goes to the countries which are parties to the agreement, buyers of our export wheat in accordance with the agreement, the ECA has promised to give them so much wheat, which we ourselves pay for, and they are able to buy it at the Government figure, $1.80, instead of at the market price of wheat as it is today, $2.25.

Mr. THYE. That is what I understood the Senator to say, and that is why I interpreted his remarks to mean that the ECA would obtain their wheat from the wheat allotted under the treaty.

Mr. THOMAS of Utah. I think the ECA wheat amounts to more than 168,000,000 bushels.

Mr. THYE. I understand so, but the Senator's remark led me to believe that the wheat acquired or required by those countries would be taken out of the wheat they would be now offered under the treaty. That is what I understood the Senator to say.

Mr. THOMAS of Utah. Yes, it could be so construed, in the accounting system which is set up. All we are doing under the treaty is to guarantee to supply 168,000,000 bushels to the purchasing countries.

Mr. THYE. If I may be allowed to make this remark, one advantage which I see in the International Wheat Treaty as of this year is that with the accumulation, or the carry-over, of wheat from last year, plus the tremendous crop that is now being harvested, there cannot be a scarcity of wheat, in my opinion, for at least two more years, and we would have to have a very short yield in the crop of 1950 before we would find ourselves pinched domestically, or even in the exportable quantities of wheat. I think the international treaty on wheat is an excellent step, insofar as our wheat supplies this year are concerned.

Mr. THOMAS of Utah. In other words, the treaty will contribute to the end of overcoming great surpluses. Is not that true?

Mr. THYE. That is true. Of course, there is now being harvested in the United States the largest crop in our history, insofar as wheat is concerned, and that, plus the carry-over of more than 300,000,000 bushels of wheat from last year, is going to give us a tremendous volume of wheat to dispose of.

Mr. GILLETTE. Mr. President, will the Senator from Utah yield?

Mr. THOMAS of Utah. I am glad to yield to the Senator from Iowa.

Mr. GILLETTE. I should like to ask a couple of questions with reference to the mechanics of the treaty. Are these transactions to be conducted with the signatory countries, the wheat sold to them, and on their account, through officials of the country itself, or some importing agency of the country?

Mr. THOMAS of Utah. They may be conducted by the country, or they may be conducted in the way in which commercial transactions are ordinarily conducted. Since we will never get into such a position that there will not be a free market and free trading in wheat, the United States merely becomes a record-keeping agency to see that we live up to our promises under the treaty. On the other hand, if the United States should have accumulated a great surplus of its own, and had that surplus, which it had taken under our wheat-support program, it of course could sell from that surplus. So that so far as the United States is concerned, in a case like that, it is an outright governmental transaction. But even in such a case the wheat would move through the ordinary channels of trade, because the Government will not set up an agency for transportation and for the care of its own wheat being delivered to foreign countries.

Mr. GILLETTE. That is a clear statement so far as one party to the contract is concerned, namely, the United States. My first question was directed more to the other party to the contract. Are we looking to another country, the country itself, to carry out its responsibilities under the treaty? If we are dealing with an importing agency for the other country and it refuses or neglects to take the wheat, what recourse have we?

Mr. THOMAS of Utah. Ordinarily under any international agreement the recourse is not very effective unless there is an absolute sanction of some kind. There is no sanction in this treaty.

Mr. GILLETTE. There is no sanction in the treaty?

Mr. THOMAS of Utah. There is not a sanction, because there is no punitive result, except that if the country does not live up to its obligation, its vote in the Council can be taken away from it, and it ceases to be a member by its own action.

With regard to the other question, if, for instance, we are dealing with a country which has made the wheat trade practically a governmental monopoly because it does not grow enough for its own population, and it has to guarantee a supply, our dealings will be with an outright governmental representation. But understand a similar arrangement will be set up in a country which has the same sort of free enterprise ours has and the same way of doing things. It must be kept in mind, however, that price is a fluctuating factor, as are money, the medium of exchange, and other things. So under the Wheat Council there is a committee which is named the Advisory Committee on Price Equivalents. That is a high-sounding title, but everyone knows that with the world in the state in which it is sometimes it is necessary to have high-sounding titles.

Mr. GILLETTE. If I may make one additional comment, I wish to support the treaty; I think it is wholly worth while; but I am seriously concerned with

the thought that we are making substantial concessions, and in effect promising subsidies which we will have to pay in some form. I wish to know what assurance we have that, for the concessions we are making, if we are to have a guaranteed market, there is a guaranty which can be enforced. Are we to get something in return for the concessions we are making?

Mr. THOMAS of Utah. I think it is not a guarantee which can be enforced, as I said before, in the sense that one nation would do something to another nation, but it is a guarantee which will be enforced, because the operation of the treaty is to the advantage of both parties, and if the treaty does not operate and function properly, there is a disadvantage to each party. Surely a stable wheat market is probably the greatest advantage any government can have for its people at any time. Food is always essential. With the fluctuating world of today, any effort to bring about stability is good.

We have to pay for stability. We have to make a guarantee to depositors in savings banks. Probably that has cost the little depositor money, if his bank was all right, but insofar as he is willing to pay it, it is insurance. If we could have a stable world, where there were no fluctuations all the time, farmers would have the risk taken out of their work. The whole parity system is based on the idea of trying in some way or other to guarantee a stable market, stable arrangements, so that a farmer can from time to time count his assets and know what they are.

Let us see what the report says about enforcement, to answer the Senator's question. Probably I should have used the language of the report all the time, rather than my own words, though I sometimes read sentences in the report and do not understand them as well as I understand my own words.

The enforcement of the 1949 agreement, as was the case with that of 1948, depends to a large extent upon the good faith of the parties.

I forgot to use the expression "good faith," and am glad it appears in this language.

But that does not mean the Council and the member governments are without remedy to enforce their rights. Penalties are provided in case of breach of agreement. These include loss of voting rights and expulsion from the Council.

Mr. President, in view of the question asked by the Senator from Illinois I believe I should turn again to words which are not my words, and place in the RECORD what the negotiators of the treaty and what the experts of the Department of Agriculture and the experts of the State Department have said in answer to questions. I should like to say that the documents from both Departments are very able. We are indebted to the State Department and to the Department of Agriculture for answers to a series of questions numbering 40 or 50. The answers were given at our request. In addition, there appear in the report questions and answers on the subject. The questions were asked by the Senator from Massachusetts [Mr. LODGE], who was chairman of the subcommittee which dealt with the 1948 treaty, and the answers are by experts who have handled the treaty.

In connection with the question asked by the Senator from Illinois, let us see what the experts say:

Will the fulfillment of United States obligations require a subsidy?

Yes. It will require a subsidy whenever United States prices for wheat are over the maximum price. For example, during 1949 our price support policy is aimed at holding the domestic price of wheat at 90 percent of parity, which—using March 15, 1949, parity figures—would be $1.95 per bushel average farm price.

If the United States price holds at approximately the support level throughout the marketing year, the amount of subsidy required might be as much as 50 cents per bushel on the total amount of the United States obligations (168,000,000 bushels) or approximately $84,000,000. If, as occurred this past year, the free price of wheat in the United States is below the support price at certain times when wheat could be obtained and exported under the agreement, the total subsidy required would be correspondingly decreased. In the less likely event that domestic price is higher than the domestic support price more subsidy could be required if the wheat had to be purchased in the domestic market at these prices. Barring widespread unfavorable weather conditions the latter situation seems unlikely to occur.

It may be advisable under certain conditions to use CCC stocks of wheat acquired under the price-support program to assist in fulfilling our obligations under the agreement. Some subsidy may also be advisable to move wheat into export even when the United States price is below the equivalent maximum price, if the price which importers are willing to pay, and for which other exporters are willing to sell, is below the current United States price. A question of policy to be determined is whether any or all of any loss thus sustained should be charged against other United States programs rather than to the operations under the agreement. When world prices are below the floor there will be an offsetting gain for the United States under the agreement. Just how the scales will balance can not now be determined.

That is, we are in the realm of theory.

It is not without significance to recall that export subsidies on wheat and flour have been used in the past, and with or without an agreement they may have to be used again in the future if the United States hopes to maintain adequate farm prices for its total production and at the same time compete in the world wheat market. As for the administrative costs they, it is expected, will be small. Not over $25,000 a year will be required for this purpose.

It may interest the Senate to know that in renegotiating the agreement the State and Agricultural Departments used as advisers representatives from all groups that had previously indicated an interest in the agreement. These included both producers and processors. In this way most of the controversial points of the 1948 agreement were eliminated. Thus, for example, the grain trade, which opposed the 1948 agreement, is now reconciled that its interests are adequately protected and has filed a statement of support with the committee. Any opposition which may still remain can only be sporadic and scattered. It can be said with complete confidence that the agreement represents the will of the agricultural population and the acquiescence of the processing interests. The National Grange, the Farm Bureau Federation, and the National Farmers Union have testified in its favor. So has the National Grain Trade Council.

One witness appeared against the treaty. The witness said that he represented, he thought, groups of farmers coming from wheat-producing States, such as Ohio, Illinois, Iowa, and he thought that his representation reached about 5,000 members. His opposition was based upon the general fear, I may say, of doing anything—a logical opposition for persons to take who are generally against moving into experimental activities. The committee has been unable to discover any effective or substantial opposition. This is in marked contrast to the situation which prevailed with regard to the 1948 agreement.

The committee report and the 1948 and 1949 hearings are before the Senate. Permit me to draw a few conclusions.

First. The boom period of high prices for wheat and a demand for an ever-expanding United States wheat production is over. The time of surpluses is at hand. And if we are to avoid letting the surpluses become burdensome, we must take action under the agreement. This agreement, when combined with the need of the occupied areas, will assure a market for 300,000,000 bushels of wheat abroad for the United States during the next 4 years and thus will balance our agricultural economy while production readjustments take place.

Second. The agreement in stabilizing wheat-trading conditions and in maintaining that stability during the life of that agreement will contribute to economic recovery of the world and permit the most efficient production possible of wheat.

Third. The agreement will combat the long-term bilateral agreements by which many countries are now fencing off wheat markets throughout the world, and thus will prevent the freezing of these markets to the disadvantage of the United States.

Fourth. The subsidy involved is not excessive in terms of the anticipated good which will result from the agreement.

Fifth. The agreement embodies a most useful test of the general principle of handling burdensome surplus commodities by international agreement.

Sixth. Private trade should flourish under the agreement, which gives it ample freedom and scope.

Seventh. The United States interests are properly safeguarded in all important matters.

Eighth. Adequate provisions are made for the escape from embarrassing situations due to short crops and unexpected political developments abroad.

Ninth. Testimony before the committee makes clear that the agricultural groups believe the prices set up under the agreement are fair.

Tenth. All interested parties which have indicated a desire to be heard have been heard, and every effort has been made to safeguard the interests of each and every group concerned.

Eleventh. The agreement does not make the United States Government a state-trading government in wheat.

Twelfth. Enough importing and exporting wheat states are members to make the agreement workable.

Since the 1948 agreement failed because the United States did not ratify it, it is of the utmost importance for the life of the instrument before us that we should ratify it well in advance of its July 1, 1949, deadline. That is especially true if we remember that legislation must be passed at this session in order to implement the agreement. Since 42 of the states of the world have signed the instrument representing the bulk of both the exporting and the importing wheat trade of the world, and since every state has signed of its own volition, we can only reach the conclusion that a very useful principle is involved. The United States leadership will determine the future of this agreement, and therefore the Senate Foreign Relations Committee recommends that the Senate do advise and consent to ratification of the International Wheat Agreement of 1949.

In conclusion, I merely wish to say this: Every thoughtful person in the world knows, of course, that the uncertainties of tomorrow are great. All that we are doing in international relations—and we are doing very much more than we have ever done before—is being done because of that fact. On the wheat level, likely there is no group of people in the whole United States who are more greatly concerned about tomorrow than are the farmers.

The farmer has a memory even longer than that of the rest of us. His memory goes back to great surpluses, and the depression period before the war; and he is frightened. It makes no difference where one meets any of those great people—and they are great people—whether we meet them on the lecture platform, meet them socially, or meet them while moving among them; they are frightened, and they should be frightened. The world is not the easiest thing to understand that has ever come into our lives. We have not yet stabilized currencies. We have not yet stabilized trade. We have not yet brought peace under treaty arrangements in many parts of the world. Peace treaties are well overdue. We are experimenting in international organization, international control of certain things. Nevertheless, the world remains in a condition of flux.

This agreement is highly experimental. It is not put forth with anything else but an honest faith in the belief that if we understand the fundamental economics of world conditions we can assist. Deflation is with us. It is bound to be with us; and all the fears that go with it are present.

Everyone knows that no matter how well a nation plans to live up to its obligations, if it has no money reserves, if it is in a condition in which it is living upon hope, and to some extent upon charity, we are dealing with unknowable consequences.

My feeling is that this treaty has in it an invitation to stability. It has in it also the factor of the desire and the will to see if we cannot build upon the experiences of past generations and to do something more certain in our international relations than most of the other things we have attempted in a long while.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the questions and answers relating to the 1949 wheat agreement, from which I have previously read.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

SOME QUESTIONS AND ANSWERS RELATING TO THE 1949 INTERNATIONAL WHEAT AGREEMENT

On April 19, 1949, the proposed International Wheat Agreement, signed by 41 countries, was transmitted to the United States Senate for consideration as a treaty.

In view of the many inquiries being received by the Department of Agriculture regarding the agreement, answer to some of the most frequently raised questions are presented herewith to promote a broader understanding of its provisions.

CHARLES F. BRANNAN,
Secretary.

GENERAL

1. Why an international wheat agreement?

It is an attempt, by introducing an element of stability into the world wheat trade, to overcome the hardships caused to producers and consumers by burdensome surpluses and critical shortages of wheat.

2. How does the present agreement propose to accomplish this?

By assuring supplies of wheat to importing countries and markets for wheat to exporting countries at equitable and stable prices.

3. When will the agreement enter into force?

The administrative parts of the agreement shall enter into force on July 1, 1949, provided that importing countries responsible for 70 percent of the wheat coverage and 80 percent of the signatory exporters (percentages based on quantities) have formally accepted it.

The marketing year for trade under the agreement will be August 1 to July 31. However, because of the technical details involved in starting off the first year of the agreement, its substantive parts (price and quantity) may be put into force as late as September 1, 1949.

4. How does this agreement compare with the 1948 pact?

Item	1948 agreement	1949 agreement
Duration	5 years [1]	4 years.[2]
Total quantity (millions of bushels).	500	456.
United States quantity (millions of bushels).	185	168.
Number of exporters	3	5.
Number of importers	33	37.
Maximum price per bushel	$2	$1.80.
Minimum price per bushel	$1.50-$1.10.	$1.50-$1.20.

[1] 1948-49 to 1952-53.
[2] 1949-50 to 1952-53.

It is important to note that the minimum price is 10 cents higher for each year covered by the 1949 agreement than was provided for those same years in the 1948 agreement. This is shown by the following comparison:

Minimum prices

Agreement	1948-49	1949-50	1950-51	1951-52	1952-53
1948	$1.50	$1.40	$1.30	$1.20	$1.10
1949		1.50	1.40	1.30	1.20

5. How many countries are involved in the agreement?

Forty-two countries indicated an intention of participating in the agreement (37 as importers, and 5 as exporters). The principal exporting countries in this group account for approximately 85 percent of the current total world exports of wheat. Participating importing countries account for about 65 percent of current world wheat imports. The occupied areas of Germany and Japan—not parties to the agreement—take an additional 15 percent.

6. Did all countries indicating an intention of participating in the agreement sign?

All countries except Paraguay signed the agreement by the closing date, April 15. At the time of signing, however, Peru reduced its guaranteed purchases from 200,000 to 150,000 metric tons.

The net effect of these two actions is a reduction of 110,000 metric tons—4,000,000 bushels—in the total guaranteed purchases of 456,000,000 bushels. Unless other importing countries are willing to raise their guaranteed purchases by an offsetting amount, it will be necessary to make a slight reduction in the guaranteed sales of exporting countries.

7. What proportion of the world wheat trade is covered?

The yearly total of 456,000,000 bushels of wheat included in the agreement is approximately one-half of the current annual world trade in wheat, and compares with a prewar (1933-34 to 1937-38) average annual trade of 545,000,000 bushels. Guaranteed purchases of wheat under the agreement represent less than the total import requirements of many of the participating importing countries. In other words, allowance has been made by these countries for trade in wheat with exporting countries not in the agreement at present. Brazil, for example, is committed to purchase less than 40 percent of her estimated total annual import requirement because Argentina—Brazil's chief source of supply—is not a participating exporting country. Similarly, other participating importing countries—mostly European—have made allowance for some variation in domestic yields and for imports of wheat from the U. S. S. R. (an estimated 40,000,000 bushels), as well as from Argentina and the Danube Basin.

Recognizing that there will be additional trade in wheat, the agreement applies only to the 456,000,000 bushels of wheat covered by its terms. The agreement does not apply to international distribution, marketing, or price of any other wheat. For example, it does not apply to United States shipments to the occupied areas of Germany and Japan.

8. Why did not the U. S. S. R. and Argentina participate in this agreement?

The U. S. S. R. did not participate in the final negotiations because it considered unacceptable the 50,000,000 bushels offered as their share of the guaranteed sales. Russia's final position was for a quantity of 75,000,000 bushels.

Argentina considered the maximum price too low and, therefore, did not participate.

9. What will be the effect of their absence?

It is to be expected that all trade in wheat outside the agreement, including that of Argentina, the U. S. S. R., and other nonparticipating exporting countries, will take place at competitive world prices. Exporting countries participating in the agreement, however, will be assured of a market for the quantity guaranteed under the agreement.

10. Can they and other nonparticipating countries join in the agreement later?

Yes. The Council may by two-thirds of the votes cast by the exporting countries and two-thirds of the votes cast by the importing countries approve accession to the agreement by any government not already a party

to it. The Council may also prescribe conditions for such accession. Under these provisions, approval by the United States will be required for such action.

11. What is the nature of the agreement?

It is a contractual arrangement between the governments of certain importing and exporting countries involving the annual trade of 456,000,000 bushels of wheat, over a period of 4 years beginning August 1, 1949, within a fixed range of prices.

12. Does the agreement contain escape clauses?

Yes.

An exporting country may be relieved of all or part of its obligation in a particular crop-year by reason of a short crop.

An importing country may be relieved of all or part of its obligations for a particular crop year by reason of the necessity to safeguard its balance of payments or monetary reserves. Such relief, however, is only given by a majority vote of the Council. In taking this decision, the Council is directed to seek and take into account the opinion of the International Monetary Fund—where the matter concerns a country which is a member[1] of the fund—on the existence and extent of the necessity for relief in the crop year concerned.

Finally, provision is also made for any exporting or importing country which considers its national security to be endangered by the outbreak of hostilities to withdraw from the agreement.

13. Do the "escape clauses" weaken the agreement?

No. The agreement is necessarily based on good faith and should be accepted by the United States on that basis. To do otherwise is to reject the whole concept of international cooperation.

14. What is the penalty for default?

A country may suffer loss of its voting rights or may be expelled from the Council for breach of the agreement.

QUANTITIES

15. Does each country have a specific guaranteed quantity for purchase or sale?

Yes. The guaranteed purchases or sales for each country are shown in annexes A and B to article III of the agreement. These quantities are the same for each country for each year of the agreement.

16. What is the United States quantity?

One hundred and sixty-eight million bushels of wheat each year, during the 4-year period of the agreement. (See reply to question 6.)

17. Why is the United States quantity lower than in the 1948 agreement?

Because total purchases guaranteed by importing countries in the agreement are lower than a year ago, reflecting in part the improved supply position—particularly in the case of France—in the current marketing season. The United States has taken a cut of 17,000,000 bushels out of the total reduction of 44,000,000.

18. Will the agreement limit United States wheat exports to 168,000,000 bushels?

No. Provided the United States meets its commitments under the agreement, we are free to export any additional quantity of wheat, at any price, to any country in which there is a market. Wheat requirements in the occupied areas of Germany and Japan, together with other exports outside the agreement, should result in average annual wheat exports from the United States, over the next 4 years, of at least 300,000,000 bushels—a total which is about as large as we could safely commit for export during that period.

19. How does the United States quantity compare with that of other exporters this year and last?

The following is a comparison of the guaranteed sales under the 1949 agreement with those under the 1948 draft.

[Millions of bushels]

	1949	1948
Canada	203	230
United States	168	185
Australia	80	85
France	3	----------
Uruguay	2	----------
Total	456	500

20. How was the quantity for each exporter determined?

By a process of negotiation. In the beginning both importers and exporters submitted quantities which they were prepared to purchase or sell. It was necessary to equate total purchases and sales. The division of this total among exporters was based roughly on a combination of factors relating to ability to supply, historical trade patterns, and supply responsibilities outside the agreement (e. g., United States occupied areas).

21. What obligations are connected with guaranteed sales and purchases?

Exporters are obligated to sell wheat only at maximum prices and importers are obligated to buy wheat only at minimum prices. Between the floor and ceiling, wheat is free to move at prices agreed between buyer and seller.

22. What will be the effect on exports when prices are between the maximum and minimum?

There are no obligations on either side in this situation; however, both importers and exporters must keep in mind their obligations at the minimum and maximum. For example, any participating country, realizing that rights and obligations may be imposed sometime during the marketing year, will be disposed to trade with signatory countries toward the amount under the agreement. This will be done so as to have satisfactory quantities recorded against their obligations.

23. Is wheat flour included in the guaranteed quantities?

Yes. Within the total guaranteed sales and purchases, the amount of wheat flour to be supplied by exporters and accepted by importers will be determined by agreement between buyer and seller in each transaction.

24. What happens if importing and exporting countries cannot agree on the amount of wheat flour to move?

In such case, the quantity of wheat flour to be taken shall be decided by the council, having regard in particular to the industrial programs of any country as well as to the normal traditional volume and ratio of imports of wheat flour and wheat grain imported by the importing country concerned.

25. Does the agreement prevent private trade in wheat?

No. The agreement specifically provides that exporting and importing countries shall be free to fulfill their guaranteed quantities through private trade channels.

PRICES

26. At what price will the United States be obligated to sell wheat under the agreement?

At prices equivalent to the maximum price specified in the agreement ($1.80 per bushel for No. 1 Manitoba Northern Wheat in store Fort William/Port Arthur) if the participating importing countries so request.

27. Why was Canadian wheat and Canadian currency specified as the base?

Because, historically, Canada has exported wheat to most of the participating countries. Canadian wheat is generally regarded as the standard for transactions in world trade.

28. What is the Canadian dollar equivalent in United States currency?

Under the agreement one United States dollar is equal to one Canadian dollar. Any future change in the value of the Canadian dollar will not affect the price equivalents for United States wheat.

29. Will equivalent maximum and minimum prices for United States wheat vary from those quoted for No. 1 Manitoba northern wheat in store Fort William/Port Arthur?

Yes. There are two variable factors which will cause the prices of United States wheat to differ from the Canadian price.

First, transportation costs on wheat exported from a United States Gulf or Atlantic seaport to the importing country are less than from Fort William/Port Arthur to that importing country. The maximum equivalent prices at these ports will be higher because of this differential. For example, the maximum equivalent price f. o. b. ship at Baltimore for wheat of quality equal to No. 1 Manitoba Northern and destined for western Europe would be $1.96¾ per bushel, calculated on transportation costs as of mid-April 1949. Because of a special provision in the agreement, the equivalent maximum price for wheat in store at United States Pacific seaports is set at $1.80 per bushel for wheat of quality equal to No. 1 Manitoba Northern. Minimum equivalent prices for wheat f. o. b. at all United States seaport locations vary as ocean transportation costs from any given port to the United Kingdom vary.

Second, the price equivalents for United States wheat may be varied because of quality differentials between No. 1 Manitoba Northern and grade and quality of the wheat being exported in any particular transaction. This quality differential is to be mutually agreed upon between the importing and exporting parties concerned. In actual practice such quality differentials will vary up or down from time to time depending upon the availability of supplies of the kind of wheat desired by the imported and offered by the exporter.

30. What are the equivalent prices for typical classes and grades of United States wheat at United States seaports and at a few representative interior terminal and subterminal points in the United States?

Examples: Approximate United States price equivalents using mid-April costs and without allowances for quality differentials.

Location	Destination			
	Western Europe		India, Ceylon, etc.	
	Maximum	Minimum	Maximum	Minimum
No. 1 Manitoba Northern in store, Fort William, Ontario	$1.80	$1.50	$1.80	$1.50
No. 1 Hard Winter, f. o. b. Galveston, Tex.	1.91	1.61	1.92	1.61
No. 1 Hard Winter, f. o. b. Baltimore, Md.	1.96¾	1.66¾	1.94	1.66¾
No. 1 Soft White/No. 1 Hard Winter, in store, Portland, Oreg.	1.80	1.41⅝	1.80	1.41⅝
No. 1 Hard Winter in store, Kansas City, Mo.	1.67	1.37	1.68	1.37
No. 1 Hard Winter in store, Dodge City, Kans.	1.51¾	1.21¾	1.52¾	1.21¾

31. Will the prices in the wheat agreement set prices for the United States farmer?

No. The total amount of United States wheat involved in the terms of the agreement is 168,000,000 bushels compared to domestic wheat crops of over a billion bushels

[1] Of the total of 37 importing countries in the agreement, 28 are members of the International Monetary Fund. Those not members of the fund are Ceylon, Ireland, Israel, Liberia, New Zealand, Portugal, Saudi Arabia, Switzerland, and Sweden. All of the participating exporting countries are members of the fund.

a year for the last 5 years. The agreement undertakes to assure outlet for 168,000,000 bushels of the domestic production. In years of ample supply the price of wheat to the United States farmer will largely be governed by domestic price-support policies. In years of short supply, nothing in the agreement will operate to impede the free movement of domestic prices above the price support level.

32. Will the fulfillment of United States obligations require a subsidy?

Yes. It will require a subsidy whenever United States prices for wheat are over the maximum price. For example, during 1949 our price-support policy is aimed at holding the domestic price of wheat at 90 percent of parity, which—using March 15, 1949, parity figures—would be $1.95 per bushel average farm price.

If the United States price holds at approximately the support level throughout the marketing year, the amount of subsidy required might be as much as 50 cents per bushel on the total amount of the United States obligation (168,000,000 bushels) or approximately $84,000,000. If, as occurred this past year, the free price of wheat in the United States is below the support price at certain times when wheat could be obtained and exported under the agreement, the total subsidy required would be correspondingly decreased. In the less-likely event that domestic price is higher than the domestic support price more subsidy could be required if the wheat had to be purchased in the domestic market at these prices. Barring widespread unfavorable weather conditions the latter situation seems unlikely to occur.

It may be advisable under certain conditions to use CCC stocks of wheat acquired under the price-support program to assist in fulfilling our obligations under the agreement. Some subsidy may also be advisable to move wheat into export even when the United States price is below the equivalent maximum price, if the price which importers are willing to pay, and for which other exporters are willing to sell, is below the current United States price. A question of policy to be determined is whether any or all of any loss thus sustained should be charged against other United States programs rather than to the operations under the agreement. When world prices are below the floor there will be an offsetting gain for the United States under the agreement. Just how the scales will balance cannot now be determined.

ADMINISTRATION

33. How is the agreement to be administered?

By an International Wheat Council composed of a voting member from each of the exporting and importing countries in the agreement.

34. Does each member of the Council have equal vote?

No. Provision is made for a proportional system of representation. Importing countries hold 1,000 votes and exporting countries hold 1,000 votes. The total number of votes held by each group (importers and exporters) is divided among the members of that group in the proportion which their respective guaranteed purchases or sales bear to the total purchases or sales.

This group-voting procedure gives equal representation in the Council to both importing and exporting interests.

35. How many votes will the United States hold?

As the agreement now stands, the United States will hold 369 of the total of 1,000 votes held by exporting countries.

36. Is this number significant?

Yes. It means that any decisions of the Council which require a two-thirds majority of the importing and exporting countries voting separately, must have the approval of the United States among others.

Such decisions relate to (1) amendment of the agreement, (2) adjustment of quantities in cases of nonparticipation or withdrawal of a country, (3) any pro rata reduction in guaranteed purchases in order to meet a critical need which has arisen in a participating importing country, (4) delegation of powers and functions of the Council to the executive committee, and (5) accession to the agreement of any government not already a part to it.

37. How are decisions of the Council to be made?

In some cases (see reply to question 36) by a two-thirds majority of the importing and exporting countries voting separately.

In article XIX (disputes and complaints) a majority of votes held by importing countries and a majority of votes held by exporting countries is required for the Council to find any participating country in breach of the agreement, and to assess penalty for such breach.

In other cases, decisions of the Council shall be by a majority of the total votes cast.

38. Are decisions of the Council binding?

Each exporting and importing country undertakes to accept as binding all decisions of the Council under the provisions of the agreement.

39. Will this undertaking affect or restrict our domestic policies and programs?

No. Under the terms of the agreement, the United States or any other country reserves to itself complete liberty of action in the determination and administration of its internal agricultural and price policies. We endeavor only to operate those policies in such a way as not to impede the free movement of prices between the maximum and minimum set for transactions under the agreement.

40. What other administrative bodies are provided for in the agreement?

An Executive Committee composed of members from three exporting countries (elected annually by the exporting countries) and not more than seven importing countries (elected annually by the importing countries). A weighted system of voting is provided so that the total vote of the exporters is equal to the total vote of the importers. The Executive Committee shall be responsible to and work under the general direction of the Council.

An Advisory Committee on Price Equivalents, consisting of representatives of three exporting countries and of three importing countries, is established to advise the Council and the Executive Committee on technical matters relating to equivalent prices.

Provision is also made for a Secretariat.

41. How will disputes and complaints be handled?

Any disputes not settled by negotiation and any complaints regarding failure to fulfill obligations are referred to the Council for decision. It is expected that the same spirit of cooperation which made possible the negotiation of the agreement will prevail in its administration.

UNITED STATES PARTICIPATION

42. Who decides the United States position with respect to this agreement?

The commitments we propose to undertake were decided by the executive branch of our Government. In establishing the United States position, the executive branch had the counsel of an advisory group consisting of representatives of Congress, the farm organizations, and members of the private grain trade and milling industry.

Final decision as to participation in the agreement will, of course, be made in accordance with our constitutional processes of Government. As a treaty, the agreement will require ratification by the President, by and with the advice and consent of the Senate.

43. What was the function of the advisory group?

The advisory group was invited by the Secretary of Agriculture to participate in discussions of the proposed 1949 agreement both before and during the negotiations. Several meetings of the whole group and informal meetings with different segments of the group were held at which views were exchanged and controversial issues thoroughly explored. Through these discussions, the United States delegation was given invaluable assistance not only in establishing our general position, but also in shaping specific provisions of the proposed agreement to the best interests of all concerned. As an example of more direct assistance, the private grain trade generously provided these services of a technical expert to assist the United States member of the working party on price equivalents at the Conference.

44. How does the agreement affect our domestic agricultural program and policies?

The agreement implements our domestic program by helping to maintain and to assure an expanded foreign market for wheat. The extent of postwar readjustment necessary in our wheat economy will depend in large measure, on the future size of our exports. The market provided under the wheat agreement would absorb average production from over 10,000,000 acres. If we are to maintain a prosperous agriculture, we must find outlets for that portion of the production of agriculture commodities which is surplus to our domestic needs. In the case of wheat, we believe the agreement provides a workable method of achieving this objective.

45. How does the agreement affect our foreign policy?

The agreement also implements our foreign policy in the field of agriculture by promoting the idea of solving specific commodity problems through international cooperation.

46. How does the agreement relate to the ECA program?

The agreement complements the ECA program insofar as it promotes economic recovery by assuring supplies of wheat to ECA countries at reasonable prices. Such assurance should lessen the tendency toward uneconomic programs of self-sufficiency in many wheat importing countries.

ECA importing countries are committed to take a total of 323,000,000 bushels of wheat under the agreement. This compares with estimated prewar average imports of wheat and flour, in terms of wheat, for this same group of countries, of 380,000,000 bushels, of which the participating exporting countries supplied 210,000,000. Estimated wheat import requirements of ECA participants in the agreement for the current (1948–49) marketing year total about 470,000,000 bushels, of which 435,000,000 will be supplied by Canada, Australia, and the United States.

47. Will the ECA be required to finance Canadian or Australian wheat exports under the agreement?

No. Under the terms of the proposed wheat agreement, the financing of wheat purchased in Canada and Australia is a matter to be settled directly by those exporters and the importing countries concerned. Payment for any transaction under the agreement is to be on the same conditions, regarding the currency in which payment is to be made, as prevail generally between the countries concerned at that time.

Neither does the agreement restrict or impede recourse to section 112 of the ECA Act, under which ECA is required ot purchase in the United States agricultural commodities which the Secretary of Agriculture has declared surplus to domestic needs and which we are in a position to supply.

48. Does this agreement supersede existing bilateral contracts between participating countries?

No. Provision is made in the agreement for accommodating existing contracts covering wheat sales and purchases. If the

exporting country and the importing country concerned agree, a transaction or part of a transaction for the purchase and sale of wheat entered into before the entry into force of the operating sections of the new agreement shall, irrespective of price, count toward the guaranteed quantities of those countries.

49. Will Government controls be required to implement this agreement?

Yes. Certain Government controls will be required to assure meeting our commitments under the agreement. These would include a licensing procedure to control the destination of our wheat exports and a requirement for reporting quantities, prices, and related information in order that the Government can meet its undertaking to report such information as may be required for the recording of transactions by the council.

50. If this agreement is approved will the United States be able to carry out its provisions under existing legislation or will there be need for implementing legislation?

There will be need for implementing legislation.

51. Does the Department of Agriculture propose to submit such implementing legislation?

Yes. A proposed draft is being submitted to the Congress with the hope that both the agreement and the implementing legislation may be considered together by the Congress.

52. Is there sufficient legal authority now available to the Department of Agriculture or any other governmental agency to meet the subsidies that may be needed when domestic prices are above the agreed maximum prices?

There are certain provisions of law which might, under certain condition, be interpreted as furnishing authority for such subsidies. However, to make certain that sufficient authority and funds are available for the full 4 years to meet all possible subsidy requirements, the CCC would be specifically authorized to pay such subsidies under the proposed implementing legislation.

53. How can these subsidies be paid to private industry?

The proposed enabling legislation will provide the authority for making subsidy payments. Detailed methods for making payments to private traders who are entitled to them are proposed to be handled by administrative regulation within the framework of the enabling legislation. Experience in making subsidy payments during the last war indicates that regulations satisfactory to the trade and to the Government can be worked out.

Mr. VANDENBERG. Mr. President, I wish only to make a brief observation regarding the pending international wheat agreement.

Under all the circumstances, I shall vote to try this experiment for 4 years; but I do not want to overlook the fact that it is an experiment, and that before it becomes any sort of precedent in respect to this or any other export commodity it is distinctly on trial.

The distinguished Senator from Utah [Mr. THOMAS] has just underscored the fact that the adventure is "highly experimental." I am rather reluctantly persuaded that the experiment is justified as such under existing circumstances. But as usual, the proof of the pudding will be in the eating.

One year ago the forerunner of the present agreement came to the Senate too late for action. Our committee report at that time frankly recognized the elements of controversy involved, but said that "the principle of surplus marketing by international agreement is sound" and worthy of renewed exploration at this session.

In the interim, as the distinguished Senator from Utah has indicated, most of the opposition confronted a year ago by the proposed agreement has not only failed to be renewed but actually has been recorded in favor of this adventure. Meanwhile all the leading farm organizations speaking for American agriculture have registered their urgent approval. So very generally also have the Senators upon whom I have come to rely as soundly dependable friends of agriculture. For example, it is of particular interest to me that the distinguished Senator from Vermont [Mr. AIKEN], while fully recognizing the liabilities as well as the assets in this pending agreement, believes that it should be undertaken.

I shall not reiterate the contents of the agreement. The distinguished Senator from Utah has fully presented the subject. Neither shall I belabor the question marks which are in my mind, but I wish to record them. I simply remark:

First That the treaty prices for export wheat, prices well below current support prices, might become a depressing effect upon the natural price of wheat in due course.

Second. That the operation of the system involves an almost inevitable subsidy on export wheat, although this results from support prices rather than from the agreement itself.

Third. That the proposed process is the equivalent of at least partial state trading on a quota basis, which runs counter to our reciprocal policies of international trade, which seek a minimum of artificial barriers.

Fourth. That even this much State trading in wheat exports may logically precipitate a demand for an expansion of the system to other commodities.

Fifth. That the absence of Russia and the Argentine, two great wheat exporters, leaves a serious unknown quantity in the world wheat situation.

Sixth. That this program will involve certain agricultural controls, which we shall have to provide by supplementary legislation before this session of Congress adjourns.

I wish to add an urgent suggestion to my colleagues, and that is that they read the questionnaire submitted by the distinguished Senator from Massachusetts [Mr. LODGE], which, with its answers, is printed beginning at page 8 in the committee report. It probes a number of the dubious factors which ought to be frankly acknowledged in connection with what is frankly an experiment.

But in the face of the heavy exportable wheat surplus which we probably confront for keeps, this much of a semi-guaranteed market for American surplus wheat offers an arguable advantage which, on balance, would seem to warrant this experiment, particularly if state trading in other wheat-exporting countries should preempt these foreign import markets by making agreements without us.

Mr. President, I hope our American wheat farmers do not expect too much from this agreement. It is full of loopholes. In the final analysis, it is worth no more, by way of guaranteeing export markets, than the degree of foreign recuperation in dollar credits. But I repeat that, on balance, it seem to be a justified adventure in export stabilization for American agriculture. Indeed, we may learn a number of things as a result.

Mr. President, I would not be misunderstood. I support the treaty hopefully, but I do so with distinct reservations in respect to its impacts.

Mr. LODGE. Mr. President, this wheat agreement does not, so far as I can ascertain, affect or have any particular impact to a significant degree, one way or the other, on the consuming public in the United States. It contains changes from the portions of the former agreement which aroused opposition in 1948 when I was chairman of the subcommittee considering the matter.

Frankly, however, it is hard for me to believe that this wheat agreement is in the best long-range interests of the American farmer. Indeed, I would be surprised if the expectations which have been aroused even as to the quick results to be obtained under the terms of this wheat agreement ever are actually fulfilled.

Taking a long look into the future, I cannot help but doubt whether this wheat agreement is a step in the right direction, from the farmers' standpoint. Although I realize that what I say may be considered a little advanced, nevertheless it seems to me that if we are to have international agreements of this type, it would be better for the American farmer, and would make more sense, to have them built around an animal product, such as dried skimmed milk or dried eggs. In such a case, the United States would have fed the grain in this country, kept the manure in this country, built up the land in this country, furnished the income to our family farms in America that produced the eggs and milk, and, of course, would have built up the industries which handled these products. This would tend to improve the diet of the American consumers in the cities, which is a factor of tremendous importance. There would be all these great advantages, and at the same time the wheat farmer probably would receive a greater advantage than he would under the proposed agreement which now is before the Senate.

In fact, Mr. President, I often think that the talk about the so-called overproduction of agricultural products indicates a confusion of thought. Actually, the trouble is not over-production so much as it is under-consumption.

If all the children in our cities drank all the milk and ate all the eggs, and meat they wanted, there would be very little left of the so-called farm surplus. But for that to take place, several things must happen, one of which is that agriculture must grow the things that people want to eat. For this reason, I submit that the "ever-normal icebox," filled with the products of animal agriculture, is a more worth while and profitable goal than the ever-normal granary, and I think this is particularly true insofar as the grain producer is concerned.

That is the way the matter appeals to me, Mr. President. However, I have lived long enough to know that it is impossible for any man to "play every instrument in the band." I am certainly no agricultural expert, and shall not try to pose as one. I am simply one of millions of citizens who are interested in agricultural questions, and who consult experts in whom they have confidence. For this reason, I do not feel that I can put my judgment against that of the four leading farm organizations which are strongly in support of this International Wheat Agreement.

Mr. THYE. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HENDRICKSON in the chair). Does the Senator from Massachusetts yield to the Senator from Minnesota?

Mr. LODGE. I yield.

Mr. THYE. In the drafting of the agricultural bill in the Eightieth Congress, the reference the Senator from Massachusetts has made just now to the "ever-normal icebox" or "ever-normal refrigerator" was written into the 1948 act in order to increase the values given to dairy products, beef, and pork in the support-price relationships, in the belief that by doing so there would be an abundance for the consumers, which would result in exactly what the Senator from Massachusetts says he favors, namely, to increase the so-called "icebox supply." Such provisions were written into the Aiken Act in the Eightieth Congress. Unfortunately, it was eclipsed by the political smoke screen of last fall. Otherwise there would be more people who would understand the full intent of that piece of farm legislation.

Mr. LODGE. I thank the Senator. I feel that it is in the development of our animal agriculture that the hope for the future really lies, because if we improve the diet of the consumers in the industrial sections we shall render a tremendous service to the country.

Mr. President, I was about to conclude my remarks. I have said that is the way the matter appeals to me, but that when the four leading farm organizations are strongly in support of this international wheat agreement, and inasmuch as there is no one in opposition to it, but there is unanimous agreement, apparently—for, so far as I know, no one who appeared before the committee opposed the treaty—I shall, therefore, with some misgivings, vote in favor of the agreement.

Mr. BUTLER. Mr. President, I hesitate somewhat to follow the previous speakers, including the chairman of the subcommittee, who has just made a splendid presentation of the proposed agreement, and the other two members of the Foreign Relations Committee who have spoken in support of the agreement. However, in spite of what I regard as the excellent statement made by the leader among the minority of the committee, the Senator from Michigan [Mr. VANDENBERG], I wish to say that I feel that although each one of us is trying to arrive at what he personally believes is for the best interests of the American agriculture, yet there is sufficient doubt as to the wisdom of the proposed agreement so that I wish to register myself as being opposed to it, in spite of what the distinguished Senator from Massachusetts [Mr. LODGE] has just said, in stating that there is no opposition to it.

Mr. President, at about this time last year the Foreign Relations Committee of the Senate had under consideration the so-called International Wheat Agreement, which was designed to control and direct our international trade in wheat for a 5-year period. At that time I addressed the Senate, and proved conclusively, I believe, that the agreement could not possibly benefit the wheat farmers of this country. My statement will be found in the CONGRESSIONAL RECORD for July 29, 1948, at pages 9485 to 9488. I pointed out a number of the principal defects of the agreement; and my statements, so far as I know, have never been challenged. Last year the Senate never took action to give its consent to that agreement, and I believe that decision of the Senate was wise.

This year we have had presented to us a new International Wheat Agreement. It follows substantially the same general lines as last year's agreement. None of the principal defects which I and others have pointed out has been corrected. It still does not offer any real hope of benefits to our wheat farmers, in my judgment. I am just as much opposed to this new agreement as I was to last year's agreement.

I shall not make a long statement, Mr. President, but I would like to read from just two recent newspaper editorials regarding the agreement. First of all, let me quote briefly from an editorial which appeared in the Chicago Daily Tribune in the issue of June 9. After giving a brief summary of the principal provisions of the agreement, this editorial goes on to say:

> On the other hand, if the world wheat price goes below the minimum of $1.50–$1.20 the importing countries will buy their grain from the country that will sell the cheapest. With Russia and Argentina declining to participate in the agreement, they will be in a position to sell at world prices. All the countries would have to do to avoid paying us $1.50 for grain available at $1 would be to invoke one of the escape clauses, such as the one providing that an importer may be excused from paying the minimum if to do so would weaken his currency.

I call the particular attention of the Senate to the last sentence:

> All the countries would have to do to avoid paying us $1.50 for grain available at $1 would be to invoke one of the escape clauses.

In other words, we would not have any real guaranty at all that other countries would take our grain at the so-called minimum price. In our experience with most of our trade agreements we have found that other countries escaped the intent of the agreements when it suited them by invoking quotas and other quantitative restrictions or exchange controls against us. That has been our experience. This proposed wheat agreement permits the importing countries to escape their obligations in exactly the same way. To avoid fulfilling those obligations, they need only invoke their exchange-control systems and then turn around and buy their wheat from Argentina or Russia by some sort of bilateral deal of the type that has become so common. There is absolutely no guaranty against such a thing happening, and all our experience tells us that it will happen. I ask unanimous consent to insert the editorial from the Chicago Daily Tribune in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SKIN GAME

Senator LUCAS told the press after the meeting of the Democratic Party big-wigs at the White House Monday that the international wheat agreement would be pressed for Senate ratification this month. This is the agreement signed by 47 countries in Washington in March. The Senate turned thumbs down on a similar proposal last July.

The agreement undertakes to give the United States a foreign market for 168,000,000 bushels of wheat every year for the next 4 years, and obligates the United States to supply that much to a specified list of countries. Canada, Australia, France, and Uruguay also have quotas as suppliers.

During the crop year starting July 1 and for 4 years thereafter the United States is to receive no more than $1.80 per bushel for the 168,000,000 bushels it is required to supply, no matter how high the price goes in the market. The wheat importers are required to pay $1.50 for specified amounts of wheat during the next crop year, no matter how low the price goes. The minimum declines 10 cents a bushel in succeeding years, reaching $1.20 in 1952–53.

The 168,000,000 bushels the United States is to supply this year under this deal, at a maximum of $1.80, is wheat on which the Government has lent the farmers about $2.35. Under the most favorable construction of the transaction, the Government has a loss of $84,000,000 in 1949–50.

In 1947, wheat went above $3 in our markets, with exports limited by the international emergency food council. Argentina, which had no truck with the IEFC, was able to sell wheat at the world price, which was $5. In 1947 conditions recurred as is possible, though, of course, unlikely, the agreement would involve a loss to the American taxpayers of at least $200,000,000 in a year.

On the other hand, if the world wheat price goes below the minimum of $1.50–$1.20, the importing countries will buy their grain from the country that will sell the cheapest. With Russia and Argentina declining to participate in the agreement, they will be in a position to sell at world prices. All the countries would have to do to avoid paying us $1.50 for grain available at $1 would be to invoke one of the escape clauses, such as the one providing that an importer may be excused from paying the minimum if to do so would weaken his currency.

The wheat agreement is a sucker deal for the United States. It means that if food is high the American taxpayer is to provide food at a discount to other countries. It also means that if food prices are low we shall lose our export business to Russia and Argentina. Heads we lose, tails others win.

We have made wheat agreements before and none has ever been kept when there was any advantage to the other countries to violate it. Why do it again?

The rush to get the agreement through by June 30 is based upon phony grounds. The Government plans to export 450,000,000 bushels in the new crop year, so an agreement setting minimum exports at 168,000,000 bushels is empty. We cannot believe the forecasts that the Senate is going to approve this agreement, from which we have nothing to gain and much to lose.

Mr. BUTLER. The other editorial is from a leading newspaper whose philosophy is at the opposite pole from that of the Chicago Daily Tribune. I refer to the New York Times. The Times certainly disagrees with the Chicago Daily Tribune on almost every question relating to our international relationships. The wheat agreement is practically the only question of that type on which these two newspapers agree. Both of them agree that it is a bad agreement. Here is what the New York Times editorial, appearing in the June 8 issue, says:

The 1949 version of this plan is less realistic, if anything, than that of 1948, which the Senate did not get around to ratifying. The major wheat producing and exporting countries of the world are the United States, Canada, Argentina, Australia, and Russia. Argentina and Russia have elected to sit the experiment out. So what happens? So, in order to retain the original pattern, the authors of this fanciful scheme have now decided that Uruguay and France are "exporting" countries, and have assigned them to the roles originally planned for Argentina and Russia.

The original wheat agreement, in the thirties, collapsed because Argentina, even though included, refused to adhere to its export quota. Only an incorrigible optimist would assume, therefore, that the 1949 version would stand up with two of the major grain-producing countries of the world on the outside and in a position to offer importing nations barter agreements in which wheat would be exchanged for machinery and other needed products.

Those are the statements of a leading newspaper which has almost without exception gone along with everything else proposed by the directors of our international relations. I ask unanimous consent to insert this editorial in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

"PLANNING" AT ITS WORST

At a time when such genuinely important foreign policies as the Atlantic Treaty and the Hull trade agreements program demand the country's serious attention it is unfortunate, to put it mildly, that such unrealistic schemes as the so-called international wheat agreement should be permitted to force their way onto the same stage and share at least a part of the spotlight.

For years the cosmic bureaucrats to whom stabilization is a word of magic meaning have been fascinated by the prospects of setting up an ever-normal world granary for wheat. They have worked out a plan which comes down to this: The countries which are normally importers of wheat would commit themselves to the purchase of some 450,000,000 bushels of wheat annually over the next 4 years, while the exporting countries would undertake to provide that amount. Such a movement of wheat is, of course, what might naturally be expected in the normal course of events. But the authors of the wheat agreement have given it the typical planners' touch by establishing quotas and setting a range of prices at which transactions would have to be carried out. The maximum price that this country could ask, as an exporter of wheat, would be $1.80 a bushel. Importing nations, on the other hand, would have to commit themselves for a period of 4 years to accept their assigned quotas at minimum prices starting at $1.50 a bushel and descending to $1.20 by the fourth year.

The 1949 version of this plan is less realistic, if anything, than that of 1948, which the Senate did not get around to ratifying. The major wheat-producing and exporting countries of the world are the United States, Canada, Argentina, Australia, and Russia. Argentina and Russia have elected to sit the experiment out. So what happens? So, in order to retain the original pattern, the authors of this fanciful scheme have now decided that Uruguay and France are "exporting" countries, and have assigned them to the roles originally planned for Argentina and Russia.

The original wheat agreement, in the thirties, collapsed because Argentina, even though included, refused to adhere to its export quota. Only an incorrigible optimist would assume, therefore, that the 1949 version would stand up with two of the major grain-producing countries of the world on the outside and in a position to offer importing nations barter agreements in which wheat would be exchanged for machinery and other needed products. Why, then, should American Government officials such as Secretary of Agriculture Brannan give this scheme their blessing?

The answer is, because it promises to relieve the Government, in some measure at least, of the consequences of its own folly with respect to farm policy. The crop prospect at the present time is for a 1948–49 wheat harvest of 1,350,000,000 bushels. Added to the prospective carry-over, this would give us the largest supply of that grain in the Nation's entire history, some 1,650,000,000 bushels. This situation is not the product of chance. It stems, in the main from the misguided support policy pursued by the Government since the war—a policy under which wheat farmers have been encouraged to produce not for the market but for the loans which they were guaranteed under the Government's program.

It has been pointed out that we are committed to provide wheat-importing nations with some 170,000,000 bushels of wheat annually for the next 4 years at $1.80 a bushel. But the farmer can turn his wheat over to the Government here today at around $2.25 a bushel. Why, then, should he export it at a much lower price? The answer is that he shouldn't, and he won't. But the Government can, and, in fact, would have to, under the proposed plan. But since this would mean buying wheat at around $2.25 and selling it at the American equivalent of $1.80 at Fort William, Canada, the Government would take a substantial loss on every bushel sold. And how could the Government do that? It could do it because it could charge the difference—an outright subsidy—to the American taxpayer.

The refrain to which the authors of the wheat agreement are attempting to sell their plan to the American people is that it will "assure the American farmer an export market of 300,000,000 bushels of wheat over the next 4 years." It is worth noting that this generous offer is being made at a time when for 4 years American wheat exports have actually been running at an annual rate of 450,000,000 bushels, and when the Marshall European Aid Plan still has three more years to run. By contrast, in the 3 years immediately preceding the Second World War our wheat exports averaged only 65,000,000 bushels a year, and nearly 50,000,000 of these annual exports were made possible by subsidies. Not only does this proposal for an "assured export market" for 300,000,000 bushels of wheat, therefore, come when it is least needed, but to the extent that it provides an artificial market for our surplus at the expense of the taxpayer it can only serve to divert attention from the real nature of the farm problem and postpone a realistic approach to its solution.

Mr. BUTLER. Mr. President, wheat production is one of the leading industries of my State. It is absolutely essential for the prosperity of Nebraska that we take effective measures to maintain a fair price for wheat. Along that line, I have been an advocate of the farm program, including measures to support wheat prices through Commodity Credit Corporation's activities and otherwise. That program can work, as it has in the past.

Export markets are, of course, an essential need for the wheat producer. If any sound means could be presented to guarantee our farmers those markets, I would favor it. At the present time we are selling wheat abroad because of the European recovery program. In other words, we are giving it away. So long as we continue to give it away, we should have no difficulty in getting rid of it. Once we stop giving it away there is nothing in this wheat agreement to guarantee that we can continue to sell our wheat surplus. That is the simple truth. Until some really workable plan for selling our wheat surplus abroad is proposed, I do not see any reason why our wheat farmers should accept a proposal that has no real chance of solving their problems.

Mr. President, the wheat-price schedule in the agreement as proposed is away below our domestic price and below the price-support program in effect. The principal effect of the adoption of the proposed treaty will, in my opinion, be very bearish and depressing on our market instead of beneficial.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. BUTLER. I yield.

Mr. FERGUSON. Does the Senator think the lower price under the treaty may cause the domestic market to reach that price?

Mr. BUTLER. The tendency I think, I may say to the Senator from Michigan, would be in that direction.

Mr. FERGUSON. Has there been any tendency in the last few weeks or months in relation to this agreement toward prices coming down to meet the proposed treaty price?

Mr. BUTLER. I am sorry I cannot give the Senator an answer on that point, because I have not been in touch with the market closely for a great many years. Something is radically depressing the price, and I think the wheat agreement has made its contribution in that direction.

Mr. FERGUSON. Mr. President, will the Senator yield for another question?

Mr. BUTLER. I yield.

Mr. FERGUSON. This practically amounts to what is known as state trading, does it not?

Mr. BUTLER. That is correct.

Mr. FERGUSON. All of our exporting will really be done by the Government, and it will be in the nature of a cartel, will it not?

Mr. BUTLER. I think one of the objections to the treaty is that it does join us up with the cartel system of trading.

Mr. FERGUSON. Is this the first example of our having entered into a treaty

whereby we become a party to cartel or State trading?

Mr. BUTLER. It is, so far as I know.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. BUTLER. I yield to the Senator from Vermont.

Mr. AIKEN. I may suggest, I do not believe we can blame a nonexistent, nonapproved wheat treaty for the collapse of the price of wheat on the farm in the last few weeks. That collapse has been due in my opinion primarily to the failure of the Commodity Credit Corporation to support the price of wheat on the farms as provided for by law.

Mr. FERGUSON. Mr. President, will the Senator yield? I should like to have a question answered.

Mr. BUTLER. I yield to the Senator from Michigan.

Mr. FERGUSON. I should like to have the Senator from Vermont state, if he can, the reason why the Commodity Credit Corporation has not supported the wheat price according to law. Do I correctly understand that the Commodity Credit Corporation can, in its discretion, permit prices to go lower, and, in its discretion, can decide to buy or not to buy, as it sees fit?

Mr. AIKEN. The Commodity Credit Corporation has the discretion of prescribing the rules and regulations under which it will support the price of wheat. Last year, and this year, up to a week ago, the Commodity Credit Corporation, as directed by the Secretary of Agriculture, has refused to support the price of wheat unless stored in the sort of storage facilities which the Commodity Credit Corporation approved. After the amendments to the act were approved by the Congress and signed by the President a few days ago, the Secretary immediately announced a good program for farm storage, and also a program for distress loans to wheat growers who are unable to find storage for their wheat which they had been selling, perhaps, to dealers and speculators for 40 or 50 cents a bushel below the support level. The Secretary of Agriculture, through the Commodity Credit Corporation, has had full authority to support the price of wheat on the farm at the support level by the same program which he now proposes to employ in connection with this year's crop.

Mr. THYE. Mr. President, will the Senator yield at that point?

Mr. BUTLER. I shall first yield further to the Senator from Michigan.

Mr. FERGUSON. Did the Secretary take advantage of the situation by saying that the legislation had not yet been approved, when, in the opinion of the Senator from Vermont, the Secretary had exactly the same power before as he had after the act was passed, but he did not use it?

Mr. AIKEN. He had the same power to assist in a program of farm storage, and he had exactly the same power to permit loans for wheat stored on the ground. He did not previously have power to buy land on which to erect Government storage, but he had full authority to assist a farmer in getting storage, and he had full authority to make loans on wheat piled on the ground.

Mr. FERGUSON. In other words, he is doing, subsequent to the passage of the act, things which he refused to do prior to the passage of the act, but which he had authority to do prior to its passage, namely, to make certain loans on wheat.

Mr. AIKEN. That is correct.

Mr. FERGUSON. Does the Senator know the reason why the Secretary of Agriculture used his power in one way before the act was passed and in another way after it was passed?

Mr. AIKEN. No. I do not know what went on in the Secretary's mind, but I do know that some days ago, before he announced he would make loans on wheat stored on the ground, I urged him to make such provision as he later made. I do not know how much the farmers lost last year and this year through failure to make authorized loans on grain when the farmer could not get storage, but it must have been a very substantial sum. My opinion is that it is in the hundreds of millions of dollars.

Mr. FERGUSON. I should like to read from the speech made by the Secretary of Agriculture a short time ago. He said:

> It has also been charged—and this is extremely painful to me—that my proposal is political. In fact, one spokesman went so far as to call it "politico-economic philosophy," which I believe is meant to convey the idea that he doesn't like my politics. Well, I want to confess to you that I do think there should be and is such a thing as party responsibility. I am also under the impression that the people have devised a political system for the purpose of self-government.

Here is another quotation from his speech:

> If it is political to appeal to the judgment of the American people in farm-program matters, so be it. Let us be done with this nonsense. Let us trust the people.

Does the Senator think politics had something to do with what the Secretary had done prior to the passage of the Commodity Credit Corporation Act?

Mr. AIKEN. I do not know much about party responsibility, but I do know that the Department of Agriculture had a definite responsibility to support the price of grain to the farmers at the support level. Only last week, after a certain amendment to the Commodity Credit Corporation Act had been adopted, the Department announced it would take steps to meet that responsibility.

Mr. THYE. Mr. President, will the Senator yield?

Mr. BUTLER. I yield to the Senator from Minnesota.

Mr. THYE. I wanted to emphasize the point which the Senator from Vermont brought out with reference to advancing commodity loans on grain on the farms which is stored on the ground. The Secretary of Agriculture could have advanced such commodity loans any day or any week, at any time, prior to the amendment of the Commodity Credit Corporation Act. Am I correct in that statement?

Mr. AIKEN. The Senator is correct. He has no more authority to make loans on wheat stored on the ground at this time than he had many months previously.

Mr. THYE. He could have made loans at the very outset of the harvest. The harvest started in the panhandle area 10 days or 2 weeks ago, and the Secretary could have advanced loans on wheat stored on the ground prior to the action of the Congress in connection with the Commodity Credit Corporation Act.

Mr. AIKEN. He could have done that. The Senator from Oklahoma [Mr. THOMAS] has introduced a bill to reimburse the farmers for what they lost in that respect. When the bill comes before the committee I shall be glad to vote favorably to report it. It may not be a good type of legislation, but it is a matter of simple justice.

Mr. THYE. Mr. President, will the Senator from Nebraska yield further?

Mr. BUTLER. I yield to the Senator from Minnesota.

Mr. THYE. It has been announced that governmental warehouses will be furnished in which to store wheat which is now on the ground. There was no provision of law which prohibited the Secretary of Agriculture from using surplus military warehouses for such a purpose. There was no restriction in the act which would prohibit him from using such governmental property for wheat storage. Is that correct?

Mr. AIKEN. So far as I know, there was no restriction against using any presently owned Government property for storing other Government property.

Mr. THYE. The Secretary stated last week that the commodity loan was an emergency loan carrying 75 percent of the commodity loan for a 90-day period, and within that time the Department will assist the producer in moving the wheat off the ground into warehouses which are now surplus War Department property. If the grain can now be moved into surplus Army warehouses, why could it not have been moved 2 weeks ago or 2 months ago, or why could not the same thing have been done a year ago.

Mr. BUTLER. I think the answer to the Senator's question is very apparent to all of us.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. BUTLER. I yield.

Mr. FERGUSON. Does the Senator think the meeting in Iowa had anything to do with what has been going on in the agricultural program, as to whether it was a demonstration, or at least an attempt to get the farmers to believe that any legislation of the past would not work, and that a whole new agricultural program is required in order to solve the farmers' problems.

Mr. THYE. I cannot answer the junior Senator from Michigan as to what has taken place in the conference held in the Middle West, but I can say that on the night the conference committee sat in connection with the discussion of the Commodity Credit Corporation legislative provisions, we were endeavoring to agree upon the proper type of language. The bill was referred to representatives of the Department of

Agriculture who administered the Commodity Credit Corporation's functions, and they were specifically asked if the language proposed by the House, which we were then considering in the bill, would in any sense interfere with or prevent them from proceeding to meet the storage needs of the producers in order to qualify them for commodity loans.

I know that there are two members of that conference committee sitting in the Chamber at this time, namely, the senior Senator from Vermont [Mr. AIKEN] and the junior Senator from North Dakota [Mr. YOUNG]. We were told at the conference committee meeting that night that there were nothing in the language of the Commodity Credit Corporation provision which restricted them, in their opinion, in assisting the producer to obtain commodity loans on the farm. If I am incorrect in that statement, I want both these Senators on the floor to correct me.

At that time we were concerned about the producer, the farmer. We were trying to write the type of legislation which would assist him in becoming qualified to obtain a commodity loan. All of us knew that a tremendous corn crop was maturing, we knew of the tremendous wheat harvest which had just been completed, or was in process of completion. We knew that there would be a vital storage question before the producers in the fall of 1948. That was why we directed the question to the administrators of the Commodity Credit Corporation in a specific inquiry as to whether the language in the bill met with their approval.

I will frankly say, Mr. President, that if the price of wheat had not broken sharply in the month of August 1948, as it did, no question would have been raised, and likewise if the corn price had not broken, as it did in October 1948, no question would have been raised. But I again say that the Commodity Credit Corporation could have used the old Army warehouses for the storage of grain, corn, cotton, or any such commodity which did not require cold-storage facilities. The Government owned the property, and they could have converted the property to a storage facility for grain just as easily in the past year as they can now. There can be no question about that.

Mr. BUTLER. Mr. President, the colloquy which has been in progress among the several Senators is interesting and instructive, I think highly instructive, as to the situation as it now exists, but I wish to return for a moment to the question which was under discussion, the international wheat agreement. I again state that it is my opinion that if we get good prices, if we are in position to guarantee good prices to American producers, it is going to be through a domestic program rather than an international wheat agreement. I think I can prove that by referring to a sentence or two on page 6 of the report on the pending treaty, near the bottom of the page:

It is estimated by the Department of Agriculture that a maximum of $84,000,000 will be required to subsidize our guaranteed sales of 168,000,000 bushels of wheat at maximum prices during the first year of the agreement. The possible cost of a subsidy beyond the first year cannot be estimated.

Senators all want American wheat farmers to be treated fairly, and to get good prices for what they produce. It is our responsibility to assist them in that program. We are not rendering the American wheat producer any service by the ratification of this kind of an agreement. We should support our own domestic program.

Mr. AIKEN. Mr. President, it is my intention to vote for the ratification of the wheat-agreement treaty now before the Senate. I think it represents a very earnest effort at international cooperation pertaining to what is known the world over as the staff of life.

As has been said on the floor of the Senate, I realize that the treaty is not a panacea for all the troubles caused by surpluses and shortages throughout the world. It is true there are loopholes in the agreement, but there are loopholes on our side as well as on the side of the purchasing nations.

It is also true, as the Senator from Massachusetts [Mr. LODGE] stated, that probably the greatest assistance in the broadening of the market for grain in this country is the development of a greater animal industry. But I believe this first effort to work out an agreement whereby food will not spoil in one nation while people are starving in another is very much worth while, and I hope the treaty will be approved.

However, Mr. President, this international wheat agreement is only one matter which pertains to the welfare of the American farmer today. There are several other matters of vital importance to farm prosperity and farm security in the United States, and I should like to speak for a few minutes on one of those subjects.

Mr. President, my attention has been called to a 10-page mimeographed document prepared by the office of the Secretary of the United States Department of Agriculture and which contains a series of 46 questions and answers purporting to explain the proposed plan submitted by the Secretary to the Congress on April 7, 1949.

It is my understanding that this document has been distributed to the 94,000 PMA committeemen located in every agricultural community in the United States. I have spot-checked in two States, and every committeeman contacted had received a copy of it, so I assume it was distributed to the entire number of 94,000 committeemen.

It is also reported that large quantities of this document have been made available by the Department for distribution to certain labor and other organizations.

Frankly, I know of no provision of law which authorizes the distribution of this document, nor do I know what appropriation by the Congress could ethically be used to finance its preparation and distribution.

The document does not relate to existing law, or convey to the PMA committeemen any information which would be helpful to them in carrying out their duties, for which they receive per diem compensation from the Government, and which might legitimately be used in their work as now legally authorized.

It is purely and simply propaganda designed to promote a political plan of prosperity for farmers.

I do not believe that the United States Department of Agriculture should engage in purely political activities of this nature. If anyone can find in this document anything which is not purely political, I should like to have him point it out to me. The tradition and prestige of this fine old Department of Government should be kept free from party politics.

Most of this bulky document relates to a program which is not on the statute books, but which is set forth like a utopian dream.

On pages 2 and 3, however, under questions and answers Nos. 8 and 9, we find the probable main purpose in distributing this misleading document; namely, to discredit the Agricultural Act of 1948, and put the plan proposed by the Secretary in the most favorable light.

Question No. 8 is buried among the other 45, but this is how it reads:

In what specific ways does the proposed program differ from the program now authorized by the Agricultural Act of 1948?

The answer reads as follows:

The essential differences are these: (1) The proposed program concerns itself with income from farm production, whereas the Agricultural Act of 1948 emphasizes price without regard to any minimum level of income. (2) The proposed program would provide effective support for more commodities at a generally higher level than is available under present legislation. Specifically, it would afford more definite assurance of support for certain perishable commodities, such as meats, whole milk, eggs, and others, which have major importance in the farmers' income and in the consumers' diet. The Agricultural Act of 1948 has a general prohibition on the use of Commodity Credit Corporation funds for the support of perishable commodities. Both the proposed program and the Agricultural Act of 1948 assume continued use of section 32 funds for surplus disposal operations. (3) The proposed program puts more emphasis on encouraging shifts in farm production, particularly toward livestock production, as one important means of overcoming the problem of surpluses. It puts more specific emphasis on conservation as a requirement for price support. (4) The proposed program follows the long-established national policy of encouraging family farming, and in order to avoid the use of public funds to encourage big-scale, industrialized farming, it introduces the idea of placing an upper limit on the amount of commodities on which any one farm can get price support.

Most of the answers given to this question No. 8 are false, yet they are sent to 94,000 PMA committeemen of the country with the expectation that these people will pass on such falsehoods to their uninformed farm neighbors.

I wish to discuss these answers in order.

Answer No. (1) to question 8:

(1) The proposed program concerns itself with income from farm production, whereas

the Agricultural Act of 1948 emphasizes price without regard to any minimum level of income.

This is a completely false statement.

The Agricultural Act of 1948 points directly to the maintenance of a minimum farm income.

Through a formula in the act, the minimum support level is tied directly to the volume of production and the Secretary is required to fix the support price for all basic commodities between the minimum support level provided for in the act and 90 percent of parity.

Mr. THYE. Mr. President, will the Senator yield at that point?

Mr. AIKEN. I yield.

Mr. THYE. In other words, the 90 percent of parity is the support price of the commodity if we had a normal supply. Is not that about the factor? The 90-percent figure would apply when the supply was normal or above normal?

Mr. AIKEN. No; not necessarily. The support would have to be between the minimum provided for in the act and 90 percent of parity.

Mr. THYE. What I was trying to convey to the Senator, in the form of a question, is, that the 90 percent of parity is the figure that would prevail when the supply was near normal.

Mr. AIKEN. And if acreage allotments were in effect.

Mr. THYE. Yes. If acreage allotments were in effect.

Mr. AIKEN. Yes; that would be 90 percent.

Mr. THYE. And that only when we have an unusually large supply would the support price go down the scale toward 60 percent, and 60 percent would be in effect on a commodity when we had practically 130 percent of the normal supply of that commodity, and providing further that the producer refused to vote himself either acreage allotments or quotas. My endeavor is to have the Senator from Vermont explain specifically that sliding scale, at this point in the RECORD, in order that more of us may understand it fully.

Mr. AIKEN. I should like to take up the answers to questions first, and then I will take up the matter to which the Senator from Minnesota has referred.

Mr. THYE. Since that is the intention of the Senator from Vermont, I will say that I am sorry I interrupted him.

Mr. AIKEN. As I have said, the Agricultural Act of 1948 points directly toward supporting a minimum farm income.

On the other hand, the program proposed by the Secretary for a fixed level of commodity price support, regardless of the supply of the commodity, would unstabilize farm income to a very great degree.

Answer No. 2 in the Secretary's document is as follows:

(2) The prosed program would provide effective support for more commodities at a generally higher level than is available under present legislation. Specifically, it would afford more definite assurance of support for certain perishable commodities, such as meats, whole milk, eggs, and others, which have major importance in the farmers' income and in the consumers' diet. The Agricultural Act of 1948 has a general prohibition on the use of Commodity Credit Corporation funds for the support of perishable commodities.

I hope my colleagues will mark that statement from the Secretary's document.

Both the proposed program and the Agricultural Act of 1948 assume continued use of section 32 funds for surplus disposal operations.

This answer contains two false statements and one true one. Let us take the true one first.

The Agricultural Act of 1948 would limit support for the perishable commodities enumerated to 90 percent of parity. The Secretary would allow up to 100 percent.

Now for the false answer.

Unless the Secretary intends to disregard the purpose and provisions of the 1948 law, he will fix the support for meats, whole milk, eggs, and certain other major commodities at a level comparable to that which is given the basic commodities.

In my analysis of the 1948 bill on the floor of the Senate last year, I made this statement on behalf of the Committee on Agriculture:

A question entered the minds of the committees as to whether we should designate certain crops which should be supported at from 60 to 90 percent of parity, as the basic commodities are to be supported under the requirements of the bill. Then we realized that there were 151 farm commodities which were not basic. We did not know where to draw the line. We expect that important commodities—and I include field peas, beans, potatoes, soybeans, barley, and oats—will be supported at the same rate as the basic commodities, which is 60 to 90 percent of parity. But there are other nonbasic commodities, such as summer squash, which we would not want to support even at 10 percent of parity. Then there are peppers and tomatoes. Producers of various commodities have come to me suggesting that the commodity they produce should be supported. There were mohair producers from Texas, honey producers from Iowa, Minnesota, and other States, and producers of hops. We felt we had to leave such products to the discretion of the Secretary, but it is the belief of the committee that commodities which correspond closely to the Steagall commodities should be supported at a rate of from 60 to 90 percent of parity.

Furthermore, in fixing the level of support for each nonbasic commodity the Secretary is required under the 1948 act to take into consideration its importance to agriculture and the national economy.

Inasmuch as meats, poultry, and dairy products are the most important agricultural commodities, the Secretary must support them at a level comparable to that given the so-called basic commodities.

The second misleading statement in answer No. 2 of the Secretary's document is this:

The Agricultural Act of 1948 has a general prohibition on the use of Commodity Credit Corporation funds for the support of perishable commodities. Both the proposed program and the Agricultural Act of 1948 assume continued use of section 32 funds for surplus disposal operations.

What the Secretary fails to say is that it is the Secretary and not the Commodity Credit Corporation that is charged with the support of perishable commodities.

Under the 1948 act he has full authority to support any perishable commodity up to 90 percent of parity if funds are available. He cannot support any commodity under any law without funds.

What he further fails to say is that Commodity Credit Corporation funds are authorized for the support of products processed from perishable commodities.

Therefore, he has every right to support the price of orange juice, powdered milk, lard, and a thousand and one other commodities which are processed from perishable farm commodities. I quote directly from the 1948 act:

Provided, That the foregoing provisions shall not be construed to prohibit the Commodity Credit Corporation from supporting the price of any perishable nonbasic agricultural commodity by a loan, purchase, payment, or other operation undertaken with respect to a storable commodity processed from such perishable nonbasic agricultural commodity.

Mr. THYE. Mr. President, will the Senator yield at that point?

The PRESIDING OFFICER (Mr. DOUGLAS in the chair). Does the Senator from Vermont yield to the Senator from Minnesota?

Mr. AIKEN. I yield.

Mr. THYE. Would not the Senator say that this particular paragraph would cover butter, powdered milk, and such processed dairy products?

Mr. AIKEN. It certainly would. It is intended to. It would also cover canned vegetables and fruits. That is the purpose of the provision.

Mr. THYE. That was the definite discussion which took place at the time the language was prepared in order to safeguard the Department of Agriculture and the Commodity Credit Corporation and permit them to proceed to buy either powdered milk, butter, frozen eggs, powdered eggs, or any of the perishable commodities once they were processed. That was what this particular paragraph was intended to cover.

Mr. AIKEN. The Senator is correct. The Commodity Credit Corporation is supposed to see that perishable commodities are put into such form that they will keep for a reasonable length of time before supporting them. There are other funds available for supporting perishable commodities which will not keep, and probably would not be processed into storable commodities.

Mr. THYE. I am raising this question because the question was raised by some of the creamery and dairy operators in Minnesota. It was raised with the Dairy Division of the Department of Agriculture. The Department made the explanation to the creamery operators that the Department is very fearful that the language in the act which goes into effect in the calendar year 1950—the Aiken Act, as we refer to it—is so vague that when they come to administer the provisions of the Aiken Act they will not be able to purchase powdered milk or butter, because the act does not specifically authorize them to do so.

I am taking this opportunity to ask the question and to discuss it, because if there is need for an amendment to clarify the language in the Aiken Act, we should be considering such an amendment, because we are now late in the first session of the Eighty-first Congress, and with all the legislative material which is waiting on our desks for action, I do not know how the Department of Agriculture and the agricultural committees of the House and the Senate will be able to study and consider legislation which would represent a major change. If the statement which has been made is correct, we had better amend the act now on the statute books, to prepare ourselves to meet the conditions with which we shall be confronted in the calendar year 1950. That is the reason why I am asking these questions of the Senator from Vermont, who was chairman of the subcommittee which conducted all the public hearings and made the thorough study which was made throughout the calendar years 1947 and 1948 in the development of what is known as the Aiken Act. The Aiken Act has not been in operation in this calendar year. We extended the Steagall amendments for the calendar year 1949, which caused us embarrassment in connection with the potato subsidy or support-price payments, and which caused other embarrassments which the Aiken Act would have avoided if we had been fortunate enough to have the Aiken Act in operation in the calendar year 1949.

The only reason I ask the question concerning the language in the act which relates to support or so-called purchases on the part of the Department of Agriculture of any of the perishable or nonperishable commodities in the general administration of the over-all support program is that if there is any language in the Aiken Act which must be clarified, we should get under way with it.

Mr. AIKEN. The language of the 1948 act in regard to the support of nonstorable commodities is as clear as we could find words to make it clear. The Department of Agriculture knows exactly what the intent of this wording is. I have talked it over with the keymen in the Department of Agriculture time and again. They know exactly what we mean. They are supposed to support prices of meats and dairy products at a level comparable to that of the basic commodities.

Mr. THYE. Mr. President, will the Senator yield for a further question?

Mr. AIKEN. I yield.

Mr. THYE. Did not the Senator receive a report from the Solicitor's office with respect to what the Aiken Act provided, and what it authorized the Department to do?

Mr. AIKEN. I did.

Mr. THYE. Does the Senator have that report in his records?

Mr. AIKEN. Yes. Some of the statements now being made by the high officials of the Department of Agriculture are unfortunate, in view of the fact that the Solicitor put his interpretation of the bill in such clear language soon after it was passed. I shall come to some of those questions very shortly.

Mr. THYE. I thank the able Senator from Vermont for the time he has allowed me to ask questions and to discuss what the creamery operators in Minnesota are confronted with as they think ahead for the year 1950.

Mr. AIKEN. So far as the 1948 law is concerned, the creamery operators of Minnesota are not confronted with any danger that they have not had so far. The only danger that they are confronted with is that the Department of Agriculture will not apply the law as intended by the Congress. If the Senator from Minnesota or anyone else can devise any language that can be put into legislation which will prevent agencies of the executive branch of the Government from misinterpreting and misapplying the law, he will have made a major contribution to the sanctity and security of his country.

Mr. THYE. Further commenting on the very able statement of the senior Senator from Vermont, he has just read the following language from the 1948 act:

Provided, That the foregoing provisions shall not be construed to prohibit the Commodity Credit Corporation from supporting the price of any perishable nonbasic agricultural commodity by a loan, purchase, payment, or other operation undertaken with respect to a storable commodity processed from such perishable nonbasic agricultural commodity.

The only reason I read the paragraph over again is that I do not know what language could be written into the act to permit them to purchase and support powdered milk, butter, and other dairy products which are processed, which would be any stronger than this language. It would include also citrus fruits and dried raisins, would it not?

Mr. AIKEN. Yes. As I stated, the officials of the Department of Agriculture, from the Secretary down, know exactly what this language means.

Mr. THYE. That language certainly would permit them to take frozen eggs and powdered eggs.

Mr. AIKEN. It certainly would.

Mr. THYE. I thank the Senator.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. CAPEHART. Are we to understand that the Department of Agriculture is refusing to follow the law?

Mr. AIKEN. The Department is giving the farmers of the country misleading information concerning the law. My purpose in speaking today is to try to make some of those things clear.

Mr. CAPEHART. Are we to understand that the Department is doing this purposely and deliberately?

Mr. AIKEN. It is a repetitious accident; if it is an accident, because it is being done on a Nation-wide basis.

I believe the Senator from Indiana was not present when I started speaking with reference to a 10-page document of questions and answers which is apparently being sent to the 94,000 PMA committeemen of the country, besides being made available in large quantities to labor organizations and others. It does not relate to existing law except to disparage existing law. It has nothing whatever to do with the work which the PMA committeemen are supposed to do under the provisions of the present law.

Mr. CAPEHART. In that document, is the Department making statements which are absolutely untrue?

Mr. AIKEN. I am pointing out those statements as I go along.

Mr. CAPEHART. In the Senator's opinion, has the Department made statements which are untrue?

Mr. AIKEN. That is correct. The answers are untrue.

I now come to answer No. 3:

(3) The proposed program—

This refers to the Secretary's program—

puts more emphasis on encouraging shifts in farm production, particularly toward livestock production, as one important means of overcoming the problems of surpluses. It puts mere specific emphasis on conservation as a requirement for price support.

The latter part of this statement is correct. The 1948 law does not require the farmer to comply with soil-conservation practices as prescribed by the Secretary in order to qualify for price support.

The statement that the Secretary's plan offers more encouragement to livestock producers is not correct. The 1948 act gives almost the same identical encouragement to a shift toward livestock production as does the proposed plan of the Secretary. This encouragement is given through the revision of the parity formula which raises the value of livestock products to a higher position in relation to other farm commodities.

Answer No. 4:

(4) The proposed program follows the long-established national policy of encouraging family farming, and, in order to avoid the use of public funds to encourage big-scale industrialized farming, it introduces the idea of placing an upper limit on the amount of commodities on which any one farm can get price support.

This relates to the limitation of production on any one farm which can qualify for support.

There may be some merit in this proposal, but I believe it will be a good while before it will become necessary to break up the large farms of America or operate them collectively.

If the proposal to limit production per farm were effected now, the result would be to penalize the more efficient producers and the more efficient producing areas.

Question No. 9 of that document deals with Government control and regimentation of farmers, and the reply would indicate that the Agricultural Act of 1948 provides all the controls which would be necessary in the Secretary's program. That statement is not in accord with the facts.

The Agricultural Act of 1948 contains no provisions whatever that the farmer must use his land and operate it in such a manner "as may be prescribed by the Secretary."

Your Agriculture Committee of 1948 considered this proposal, but believed that there are thousands of farmers in this country who need every dollar of their income for the support of their families for education, for doctor bills, etc., and that they should not be required to spend part of a meager income in terracing their land, digging ditches,

abandoning part of their farm land, or doing other things which the Secretary might deem essential to "minimum and sound soil-conservation practices."

In Senate bill 1971, which the Secretary has asked the Congress to approve, we find this statement on page 10, under Title II, Price Support:

> Compliance by the producer with acreage allotments, production goals, marketing practices, including marketing quotas, and conservation and good land-use practices as prescribed by the Secretary may be required as a condition of eligibility for price support.

Both title I of the Agricultural Act of 1948, under which we are operating today, and title II, which goes into effect next January, provide that—

> Compliance by the producer with acreage allotments, production goals, marketing practices, including marketing quotas, may be required as a condition of eligibility for price support.

But nowhere does it state that conservation and good land-use practices as prescribed by the Secretary may be required as a condition of eligibility for price support. If, as the Secretary says, he has all that authority now, why in the world does the Secretary ask that Congress provide that authority?

It is true that the Agricultural Act of 1948 continues the provisions for acreage allotments, quotas, and penalties as embodied in the act of 1938.

Under the 1948 act, however, with its flexible support floor, these controls would be used only in emergencies, and then only temporarily, whereas under the Secretary's program, carrying a rigid 100-percent support-level, controls would have to be applied immediately, completely, and permanently.

It is silly to state that the farmer would be subject to as much control under the 1948 act as he would be under the Secretary's plan. It is a major purpose of the 1948 act to leave the farmer free to exercise his own initiative, and to avoid regimentation to the fullest extent possible.

I have only one other comment to make about this document and the Secretary's plan in general, and that is this: When addressing farmers, the supporters of this plan emphasize high prices for farm commodities, and soft-pedal the matter of complete regimentation and control. When appealing to the consumer, they emphasize the idea that the program would result in greater quantities of high-grade food at low prices. Then they tell the taxpayer that the whole program will cost him almost nothing because—and I quote from this remarkable political document with which our country has been flooded:

> Except in case of depression, prices of most farm commodities should usually be above support levels (being 100 percent) and, of course, it is only when prices are actually supported that public funds are used.

Mr. THYE. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. THYE. Would the Senator say we are in a major depression at the present time? I ask that question for the reason that we know what the price of wheat is today, and we know the price of wheat was quoted at $1.50 in the Oklahoma area last week, and we know that the support price was $1.90 a bushel. There, in itself, is the answer to the question of whether the Secretary's statement was correct or incorrect, because we are not in a major depression now, and yet the cash price of wheat at the harvest fields in Oklahoma was way below the actual parity or support price which it should obtain under a commodity loan.

Mr. AIKEN. It is also true that the Secretary recommends support at 100 percent of income-support standard—which is one way of saying "parity" in three words—instead of at 90 percent.

The absurdity of the whole thing is apparent when we read the promise to consumers that low prices will result while the taxpayer is told that under this same plan the prices of farm commodities will be well above 100 percent of parity in the open market.

In view of the fact that this false information relating to the Agricultural Act of 1948 has been systematically, willfully, and extravagantly distributed over this whole country, I now wish to make clear the effect which some of the provisions of the 1948 law will have.

First, let me call attention to the assertion that the Secretary's plan, as put forward by its proponents, will permit him to fix the support level of commodities in advance of planting or even planning time. This is called forward pricing. This is desirable. But title II of the Agricultural Act of 1948 permits forward pricing and the Secretary has already used this authority to fix the support level of pork at 90 percent of parity until April 1, 1950, in anticipation of title II of the 1948 law going into effect on January 1 next year.

Another provision concerns the method of supporting prices.

One provision of the Secretary's plan, which has received much attention, is the proposal to let the producer sell his commodity on the open market, and then reimburse him for the difference between the average market price received and the support level.

This provision is already in title II of the Agricultural Act of 1948. Section 202 reads as follows:

> SEC. 202. (a) Section 302 of the Agricultural Adjustment Act of 1938, as amended, is amended to read as follows:
>
> "SEC. 302. (a) The Secretary, through the Commodity Credit Corporation (except as provided in subsection (c)) and other means available to him, is authorized to support prices of agricultural commodities to producers through loans, purchases, payments, and other operations."

The "other operations" is intended to mean finding markets for farm commodities which will make supports unnecessary. It was never intended by the Congress that this provision should be used to bring about generally lower price levels.

I call attention to one provision of section 302 (a) of the 1948 act, which has not received much prominence. It is this:

> The Secretary shall in all cases give consideration to the practicability of supporting prices indirectly, as by the development of improved merchandising methods, rather than directly by purchase or loan.

The Secretary has indicated a desire to have this provision of the law made effective at once so as to permit payments to be made in supporting the price of hogs and possibly other perishable commodities.

When it is suggested that nonperishable commodities should also be permitted to find their own market level, the inference has been given that title II of the 1948 law permitting use of payments applies to a few commodities only.

This is not the case.

"An Analysis of the Principal Provisions of the Agricultural Act of 1948 and Related Legislation," prepared in the office of the Solicitor of the Department of Agriculture in July 1948, carries on page 9, this statement:

> The methods of price support consist of loans, purchases, and other operations and, subsequent to January 1, 1950, also payments and indirect operations such as an improved merchandising practice. The use of any particular method or methods rests within administrative discretion.

Furthermore, volume 34, No. 2, of the Iowa Law Review published January 1949, contains an analysis of the 1948 law prepared by Robert H. Shields, ex-Solicitor for the Department of Agriculture, and Edward M. Shulman, present Associate Solicitor in charge of commodity credit production and adjustment of the United States Department of Agriculture. On page 200 we find this statement:

> The provisions of the act respecting the methods to be employed in providing price support are also broad and flexible. Price support may be made available to producers with respect to both basic and nonbasic agricultural commodities through loans, purchases, payments, other operations, or any combination of these methods.

Those are the words of lawyers in the Department of Agriculture charged with advising the Secretary as to the meaning of the law and as to his duties and powers under the law. With these interpretations by Mr. Shulman and Mr. Shields, it is clear beyond a doubt that the provision for making payments in a support-price program applies equally to perishable and nonperishable commodities, regardless of what the Secretary or anybody else says.

Now, let us concern ourselves with another distortion of fact, which is being spread particularly among the wheat and cotton farmers.

These farmers are being told that under the act of 1948 the price of both wheat and cotton may be reduced to 60 percent of parity and that farm prosperity may be destroyed. What are the facts? The support price for neither wheat nor cotton can possibly drop to 60 percent of parity. If, by any chance, the price of either of these commodities should drop to 66 percent of parity for a 3-month period, quotas would automatically have to be called for under the law. When quotas or acreage allotments are in effect, the support price is increased by 20 percent.

However, quotas would undoubtedly be imposed upon a supply basis long before the price could drop to 66 percent of parity. Quotas are to be imposed upon cotton when the total supply reaches 108

percent of the normal supply, as defined in the act.

It looks now as if the carry-over of cotton on August 1, plus estimated production for this year, will total about 20,000,000 bales. This is 118 percent of a normal supply and will therefore necessitate quotas.

Under the provisions of the 1948 act, a 118-percent supply would require the Secretary to fix the support level for cotton between 79 and 90 percent of parity for next year. He would have 11 points in which to exercise his discretion.

Mr. THYE. Mr. President, will the Senator yield at that point?

Mr. AIKEN. Let me finish the next sentence. Then I will yield to the Senator from Minnesota.

Assuming that the parity index representing the cost of things the farmers buy remains as it was on May 15, this means that the support level for cotton will have to be fixed between 23 and 26 cents per pound for the 1950 crop. It cannot possibly drop to the 17 cents per pound level, which is the figure which has been bandied around the cotton-growing States rather indiscriminately. I now yield to the Senator from Minnesota.

Mr. THYE. Mr. President, earlier in the Senator's statement, I asked him about the 90 percent, and as to what supply would have to be on hand before the parity price went down to a lower figure in the scale. I did not realize that the Senator had such a clear and explicit statement as he has here, and it was for that reason that I wanted to ask the question and get a further explanation of the parity programs, particularly with reference to the sliding scale. But the Senator has stated it so clearly that I apologize for having interrupted the Senator the first time for a question.

Mr. AIKEN. I am always glad to be interrupted by the Senator from Minnesota, so long as I do not lose the floor by reason thereof.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. AIKEN. I yield to the Senator from Indiana.

Mr. CAPEHART. Are we to understand that the Secretary of Agriculture, in violation of the law, is telling the cotton farmers that the price of cotton will go to 17 cents?

Mr. AIKEN. No; I do not say the Secretary of Agriculture has been doing that, but I do know that reports and rumors have spread throughout the South that the support on cotton next year will be 60 percent. I received word from Arkansas the other day from one of the officials of the State that many farmers are being told that their support price for cotton will be 40 percent, because it is said to the farmers, "You are going to get 60 percent anyway, and that will necessitate quotas; and when you get quotas, they take off 20 percent." Of course, that is a completely false statement, but many farmers I find are believing it.

Mr. CAPEHART. Should not the Secretary of Agriculture get out a statement to the farmers telling them the truth?

Mr. AIKEN. The Secretary of Agriculture should do that, in my opinion.

Mr. CAPEHART. Perhaps we had better make certain that he does it.

Mr. AIKEN. I want to come now to wheat. It appears that the total supply of wheat may possibly reach 120 percent of normal by July 1, 1949; that is, the carry-over of wheat plus the anticipated crop for this year will be almost exactly 120 percent of normal. Nobody knows, right now, whether it will quite reach that or not, but if it does happen, it will necessitate quotas. The Secretary in that case will be required to fix the support level for wheat somewhere between 78 and 90 percent of parity.

The parity index is going down, which means the costs of production also will go down. But the costs of the things the farmer buys are going down. Assuming no change in the parity index as of May 15, which is the last date I have, this means that the support level for wheat for 1950 will have to be fixed between $1.63 and $1.89 a bushel.

I consider these levels of support to be very liberal in view of changing conditions. They certainly compare favorably with the prewar support levels of 52 to 75 percent.

I want to make it clear that although the range of support for basic commodities in the 1948 act lies between 60 percent and 90 percent of parity, the 60-percent figure could never apply because quotas would be imposed long before that figure is reached. Let me make this clear, too. The Secretary at all times has full authority to fix the support at 90 percent of parity if conditions warrant it.

If quotas are proclaimed by the Secretary and rejected by the producers, a 50-percent support level is required by the 1948 law.

The committee felt that even though quotas were voted down, it would be disastrous to the national economy to have the price of major basic commodities fall below 50 percent of parity.

The Secretary of Agriculture did not agree with this viewpoint, however, believing that no support should be given unless producers voted for controls and penalties.

This was about the only point on which the Department did not agree. It has had a change of heart since that time.

Finally, I would like to say a word about the prospects for more crops going under quotas next year.

Due to the incentive support price of 90 percent of parity, required by title I of the 1948 act, we are likely to have an extremely large production of cotton, wheat, and, possibly, corn this year.

I see little likelihood that cotton can avoid quotas for 1950.

We are operating this year under title I of the Agricultural Act of 1948, which is the House part of the law, and the old definitions of "total" and "normal" supply still prevail.

The 1948 act changes these definitions so that the total supply may be larger without requiring the imposition of quotas.

For instance, under the present law, a total supply of corn amounting to approximately 3,743,000,000 bushels would necessitate the imposition of quotas.

Under title II of the 1948 act, a total supply of approximately 4,013,000,000 bushels would be permitted without imposing marketing quotas.

Under the present law, a total supply of 1,418,000,000 bushels of wheat would necessitate marketing quotas.

Under the 1948 act, a total supply of about 1,656,000,000 bushels would be permitted. The total supply of wheat as of July 1 is sure to exceed the amount permitted by the old law but may possibly come within the limit set by title II of the 1948 act.

Some weeks ago, the Senate unanimously passed and sent to the House a bill providing that the definitions of "total" and "normal" supply in the 1948 act, which go into effect on January 1, 1950, be set forward to apply immediately.

I do not know what action the House may take on this bill. If it is approved, the chances are that quotas on corn for 1950 will be avoided.

If the House approves the bill before July 1, there is a possibility that quotas on wheat may also be avoided.

When title II of the Agricultural Act of 1948 takes effect on January 1, 1950, the farmers of the United States will have the best assurance of personal freedom and economic security they have ever had.

Under such guaranties, they will produce abundantly to meet the food and fiber requirements of the Nation.

This assertion is made on the assumption that the Secretary of Agriculture will apply this law as the Congress intended it to be applied.

We have sometimes observed instances of laws enacted by the Congress being misinterpreted and misapplied by agencies of the executive department.

I recognize the fact that the long-range support-price program as enacted last year can be improved by a few minor amendments.

With these few amendments, however, this act may well stand for years to come as the cornerstone in the foundation of American farm prosperity.

LEAVE OF ABSENCE

Mr. PEPPER. Mr. President, I ask unanimous consent to be excused from attendance upon the remainder of the session on this day, and also tomorrow and the day following, on account of my absence in Florida, in attendance upon public business.

Let me add that should I miss the vote upon the pending agreement or treaty, I wish to state that I am a member of the Foreign Relations Committee which has recommended the treaty to the Senate, and I would vote that the Senate advise and consent to the ratification of the treaty.

The PRESIDING OFFICER. Without objection, consent is given.

THE INTERNATIONAL WHEAT AGREEMENT

The Senate, as in Committee of the Whole, resumed the consideration of the International Wheat Agreement, Execu-

tive M (81st Cong., 1st sess.), which was open for signature in Washington from March 23 to April 15, 1949, and was signed during that period on behalf of the Government of the United States of America and the governments of 40 other countries.

Mr. LANGER. Mr. President, first of all I want to compliment my colleagues on the other side of the aisle for helping to take care of the farmers of the United States. I remember that all through the Eightieth Congress my distinguished colleague from Vermont [Mr. AIKEN] pleaded many times with the Republican majority to get action on the farm bill. Finally, Mr. President, on the very last day of the session, after my distinguished friend had plead, with tears in his eyes, and stated that the bill as passed was unsatisfactory to him because it did not contain what it should contain, at the twenty-fourth hour, on the very last day of the session the Republican Eightieth Congress finally passed the act which is now in full force and effect.

It all simmers down to what we observed throughout the Eightieth Congress. There was a little clique in charge of the Republican Party, Mr. President, and when some of us protested and wanted to be heard before the Republican policy committee, we could not even get before our own policy committee. The committee did not need the Senator from Oregon [Mr. MORSE]; it did not need the Senator from Vermont [Mr. AIKEN], and it did not need certain other Senators whom the Republican voters had elected to the Senate. The Democrats were smart enough to take advantage of the fact that it had been a Republican President who vetoed the McNary-Haugen bill. If the McNary-Haugen bill had not been vetoed time and time again by a Republican President, the farmers of the country would not have had the terrible depression which they went through.

So far as I am concerned, I shall vote for the International Wheat Agreement, because I am entirely satisfied that it is a step in the right direction. I wish to call attention, however, to the farm record made by the Democrats ever since 1933. We do not hear any more about Leiter or anyone else getting a corner on wheat. Why? Because legislation was passed to make it impossible so to deal in the grain markets of Chicago and other cities.

Mr. President, in North Dakota—and this is true of the whole Northwest—the entire system of agriculture was changed by Henry Wallace. He did a remarkable job. When I think back, Mr. President, to what we went through in the depression—25-cent wheat—and I sold some myself at 19 cents a bushel——

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. LANGER. I yield to the Senator from Vermont.

Mr. AIKEN. I should like to say that if the Agriculture Act of 1948 had been in effect in the 1930's the lowest the price of wheat would have been permitted to go would have been 76 cents a bushel. Corn could have gone to approximately 54 or 55 cents a bushel. The Senator will agree with me that those are not exorbitant prices, but they are far above what farmers obtained at that time. It probably would have kept this country from falling into the depths of the depression into which it did fall.

Mr. LANGER. Mr. President, I agree wholly, completely, and entirely with what the distinguished Senator says. If under Mr. Harding, Mr. Coolidge, or Mr. Hoover, the Republicans had had an act passed like one we finally passed with some amendments—the Senator calls them minor amendments, but when the act was passed at the end of the Eightieth Congress he called some of them major, and said he was dissatisfied then with the act that was passed at the very last moment—I say, if under Mr. Harding or Mr. Coolidge or Mr. Hoover the Republicans had had passed the act as it was finally passed, we would not have had the depression.

I call attention to another matter, that it was laws passed by the Democratic administration which made impossible the cornering of the markets in wheat and some of the other products on which the farmers depend for a livelihood.

Mr. President, it makes me feel sad to think of what happened after all the pleading my distinguished friend, the Senator from Vermont, did last year, and after all the pleading that was done by the Committee on Agriculture and Forestry. I could mention various members of the committee, both Republicans and Democrats, who during the last 2 months of the Eightieth Congress were unable to get the act passed in the form in which they thought it should be passed. I call attention to that fact again, and state that if the Republican Party finds itself in the doldrums, it has only itself to blame.

Mr. President, I wish to refer for just a moment to what took place 25 years ago in this body, when Senator Frazier, of North Dakota, introduced legislation which, if it had been adopted, would have taken care of the wheat and grain farmers, but he was unable to get it through the Congress. Twenty-five years ago, 24 years ago, and 23 years ago, Senator Frazier endeavored to get legislation passed to protect the farmers of the Northwest. It was only after 1932 that some kind of legislation was passed which at least half way took care of the farmers, and we would not have had it then if it had not been for the depression.

In North Dakota the situation got so desperate, the farmers continued to be robbed and robbed and robbed so outrageously, that the State of North Dakota went into the grain business itself. When I hear my distinguished colleagues on this side talk about free enterprise, I am reminded of the time when free enterprise out in the Northwest was looked on apparently as permission to a few corporations to rob the farmers to their hearts' content. There was a time when the farmers could not own an elevator on the railroad right-of-way; when they could not have a cooperative. There has been one long, continuous fight. Finally in 1911 the people of North Dakota, first by a vote of 3 to 1, then in 1913 by a vote of 4 to 1, with every daily newspaper against them, finally amended their constitution so that the State could build its own terminal elevators, but even a Republican governor and a Republican legislature in our State refused to carry out the will of the people as expressed by a vote of 3 to 1 and then by a vote of 4 to 1. It was then that we put into effect the program that was criticized a few days ago by the junior Senator from Missouri [Mr. KEM], when he said that the State of North Dakota lost a good deal of money because we had gone into the grain-elevator business.

Mr. President, for the 1947 year the profits from the State elevator in North Dakota were $865,000. Just a few days ago we took $500,000 from the profits of the elevator owned by the State of North Dakota and turned it over to a soldier bonus fund, so that our soldiers might have that much more money to be applied to their bonus.

In my judgment the international wheat agreement we are considering is a step in the right direction. I will say further that if the Republican Party in the Eightieth Congress had followed the advice of the distinguished Senator from Vermont, who time and time again, I repeat, plead for them to do something about the farm problem, in my judgment the votes of the farmers of Iowa and some of the other States would not have gone to Mr. Truman.

I say again, Mr. President, that in my judgment the Senator from Vermont deserves the thanks of the farm population of the entire United States of America. He is and has been a fearless fighter for the farmer. But he could not win the fight alone, he could not win it when he had a majority on this side of the aisle, which would not carry out what he as acting chairman of the Senate Agricultural Committee, recommended time and time again.

Certainly, Mr. President, we remember the sneers. Some men sitting here at that time sneered at what GEORGE AIKEN of Vermont said. But some of them were not reelected. I say again, Mr. President, that some of the men sitting now on this side of the aisle, unless they attempt to carry out the will of the people of this country, will not be here after the next election. I said that before, and I repeat it today. If one has any doubt about it, all he has to do is to do what I have been doing, go out among the people. It will be found that there is almost universal commendation of the domestic policy of the Democratic Party. That is not true of their foreign policy, but it certainly is true of their domestic policy, because they are trying to help the common man, the rank and file of the people of this country.

Mr. President, I intend to vote for the ratification of the international wheat agreement.

Mr. YOUNG. Mr. President, I wish to say a few words in behalf of the international wheat agreement. It is not perhaps as good an agreement as many of us would like, but I think it would improve the position of the American farmers materially. The price of wheat

under the agreement is reduced to $1.80 a bushel, which was about 20 cents below the present farm price-support level. The Commodity Credit Corporation will have to make up the difference between the market price here and the price at which we are supplying the wheat to European governments. But the price of $1.80 a bushel I submit is far above anything we are getting from the foreign countries at the present time. We are shipping approximately 350,000,000 bushels a year, most of it as a pure gift. In the fall of 1947 I had the privilege of attending the World Food and Agricultural Conference, held in Geneva, as one of the two representatives of the Senate. There I found great concern among all the countries of Europe about their future supply of bread grain. The people of those countries wanted to be assured, as they do now, where they were to get their future supply of wheat. The pending agreement gives them assurance that we will supply in the future a certain amount of wheat to them, regardless of conditions.

In the past we were furnishing them as much wheat as we possibly could, at reasonable prices, I believe something around $3 a bushel since the war. At the same time these countries had to purchase in other markets of the world as much wheat as they could get. Argentina was charging them as much as $6 a bushel for wheat. European countries want to be assured of a supply. If they cannot get from the United States and other countries the supply of wheat they need, they will want to increase wheat production in their own countries and by programs in new areas, such as Africa, so that they will be assured of something to eat in the future.

Mr. President, the program has been worked out very carefully by the three major farm organizations of the United States, and they have had able men working on it. It is not their opinion or mine that this agreement will reduce the price of wheat to farmers but on the contrary assure a greater outlet for surplus wheat and improve our entire position. I have particular reference to the American Farm Bureau Federation, the Grange, and the Farmers Union. I do not believe those people would do anything against the best interests of the farmers. I believe the international wheat treaty will be a good step for the entire Nation, and I hope it will be ratified.

Mr. THOMAS of Utah. Mr. President, I am in hearty agreement with the last statement made by the Senator from Nebraska in the debate on the wheat treaty. No one assumes that our wheat economy will be governed entirely by an international treaty. We do assume, however, that the international treaty will help to make more stable and more certain and regular the income of the farmers. Therefore it is wholly in keeping with what we are trying to do along domestic lines.

Everyone knows that with a crop of a billion bushels in a year, and a guaranty of the export of merely 168,000,000 bushels, we are not depending on the international wheat treaty to guarantee prosperity to the farmers of our country. But, Mr. President, we must never lose sight of the fact that once we have come to the place where we have a surplus, that once we are actually producing more than we are consuming of any commodity, we may have arrived at a dangerous point, so far as stability in prices is concerned, and a situation especially dangerous for the welfare of the producer. Therefore the wheat treaty aims, and consistently aims, at attempting to help the producer in such a way that he will not be in a position of uncertainty.

We must not, however, lose sight of the other side of the question. In our international relations since the war we have entered into a field of broad morals, into a field also of putting faith in other nations and in other peoples. It may sound strange to some to hear it said that we are building a foreign policy upon the basis of good faith and upon a system of morality, upon a theory not only that we want to live but that we want other people to have the chance to live, because we believe that maintenance of stability and decent democratic principles, and the raising of ever higher standards of living for the average person, and especially the raising of the standards of living for those who do not have enough, is our greatest bulwark, is the opposite of instability and uncertainty in our political life.

The world today fears moral instability. The thing which dictators thrive upon is moral instability, which brings their people to a condition under which the dictators can make effective use of slogans and thereby gain control over their people. Wherever in the world there is a nation with a single will, whose people have been brought to that condition by a dictator who rules and directs the activities of all its people, who leave their welfare to the will of that dictator, we find just exactly the opposite of what we call democracy, exactly the opposite of what we call free enterprise, exactly the opposite of what we like to think our democracy is.

Mr. President, we can support the wheat treaty with the same notions, the same ideals, the same hopes, the same aspirations with which we have supported all our foreign policy during the last several years, or since the end of the war. The peace we want in the world is a peace based upon economic stability, a peace based upon faith in one another, a peace based upon decent morality as between peoples.

I should like to point out that the editorial quoted by the Senator from Nebraska [Mr. BUTLER] was not based upon fact, it was based on surmise. An assumption had been made. First an assumption was made that without Argentina and without Russia the wheat treaty would not succeed, because Argentina and Russia would be free lances in the world wheat market, and Argentina and Russia will undersell other nations, and that, therefore, the importing nations would not want to live up to their promises in regard to taking wheat from the exporting nations.

Mr. President, that is hardly factual. In the beginning of the negotiations both Argentina and Russia were represented. Argentina refused to stay with the agreement because she did not like the price which the nations of the world had set. She wanted a higher price than the $1.80 maximum guaranty. In view of that fact, it seems to me we would not have the type of competition which has been hinted at, of Argentina offering to underbid. She refused to join the group and remain with the group because the price was not high enough.

We do not know how price support works out in Argentina, but their trading really and truly is governmental trading, so far as the export trade of Argentina is concerned. The government does all the trading. Whatever profit is made, the Government itself keeps the profit. The profit does not go back to the Argentine producer or purchaser. That is the type of governmental economic handling of products that we, who live under the American theory, do not like. That is the type of thing we are trying to overcome in the world. We like free trading conducted by private persons. We like trading on the basis of freedom. That does not mean absolutely free trade, Mr. President.

In the case of Russia, she refused to stay in and abide by the decision of the negotiators because Russia wanted a bigger quota than the rest of the nations were willing to give her. She wanted to export wheat on so large a scale as probably would have resulted in Russia being obliged to neglect her own population in order to fulfill the promises made to export to foreign countries.

Wherever there is a single-will state, Mr. President—and we can prove this by reading the history of single-will states of all time—we find that such a state will not keep its promises merely in order to fulfill those promises, but in order to receive pay. If, for instance, a single-will country in the natural or ordinary wheat economics delivers as much as it promises to, even though it hurts its own people, it will deliver and hurt its own people, because dictators do not think of the welfare of their own people, but think only of their own welfare.

Mr. President, I am not criticizing Argentina, at least in my own mind, although my words may sound as if I were critical of Argentina. I am not criticizing Russia. The facts do not bear out Russia's ability to deliver the quota of wheat she wanted applied to herself. She wanted a quota of 100,000,000 bushels of wheat for export. The negotiators wanted Russia to accept a quota of 50,000,000 bushels. They finally settled on 75,000,000 bushels for Russia, but Russia would not accept that quota. She stuck to her first request of 100,000,000 bushels.

Let us see whether the Russians were thinking in terms of good wheat economics, in view of what has since taken place. Russia was a great exporter of wheat for the period between 1909 and

1913, before the First World War. During that time she exported an average of 164,000,000 bushels of wheat a year. The wheat habits of the world revolve around the Ukraine to a certain extent and around the Balkan countries and the Danubian countries.

By 1925, after the First World War, after the Russian Revolution, and after the controls in Russia, Russia was able to export in the world wheat market 28,000,000 bushels. In 1926 her exports went up to 49,000,000 bushels, but in 1927 Russia's exports dropped to 3,000,000 bushels. In 1928 she did not export any wheat. In 1929 she was back to the export stage again, and she exported 10,000,000 bushels. In 1930, when our export trade had fallen off due to a great number of factors, Russia was again back in the export market, and she exported 114,000,000 bushels; in 1931, 66,000,000 bushels; but in 1932 she was down to 17,000,000 bushels. In other words, based upon a study of her exports, Russia's wheat economy has not been a stable economy.

In 1933 she was back to 35,000,000 bushels, and in 1934 she dropped to 2,000,000 bushels. There have been great fluctuations, and stability has not yet come to her. In 1935 she was back to 28,000,000 bushels. In 1936 she fell from 28,000,000 to 4,000,000 bushels. In 1937 she exported 43,000,000 bushels; in 1939 34,000,000 bushels. Then came the war, and from 1939 on she has had only one export year, and that was 1940, when she exported 40,000,000 bushels.

Mr. President, I have had nothing to do with the negotiation of this treaty, but I think the nations of the world were realists when they told Russia that she could not live up to a consistent exportation of 100,000,000 bushels, or even 75,000,000 bushels. Because facts show that she could not have done it. If one great exporting country does not fulfill its obligations, it puts great responsibilities on the other countries. While Russia's withdrawal was wholly voluntary, the reason for her withdrawal, given by herself, was that she did not get what she wanted. I think, in the light of all the circumstances, it is fortunate that she did not get what she wanted.

I think those facts will show that the editorial in the New York Times which the Senator from Nebraska quoted was not based upon facts, and that the premises, namely, that Argentina would undercut us, and that Russia might come into the market with great exports and therefore interfere with the even way in which the wheat treaty should operate, are rather farfetched and not consistent with the facts.

Mr. President, mention was made of the cartel question. The question was raised as to whether this wheat treaty would make the Government a governmental trading agency, and whether it would result in a great cartel. Of course it will not, or Senators on this side of the aisle, and Senators on the other side of the aisle who support the treaty would not be recommending it.

Mr. President, for the purpose of the record I ask unanimous consent that the answer in regard to cartels which was made when the first treaty was negotiated be printed in the RECORD at this point as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

14. THE AGREEMENT IS A CARTEL WHICH WAS WORKED UP IN SECRET BY A GROUP OF GOVERNMENT BUREAUCRATS

The agreement differs from a cartel in a number of particulars. It is an agreement between governments and not between private firms. There is no tie-in of transactions as between buyers and sellers. For example, the United Kingdom may purchase wheat in Canada, Australia, or the United States on the basis of price and is required to take it from any of these three countries only to the extent of the quantity covered by the agreement. The agreement, unlike cartels, contains representatives of both producers and consumers, and the two groups, as indicated earlier, have an equal voice. With respect to the charge of secrecy, it may be pointed out that negotiations leading to the wheat agreement extended over a period of approximately 15 years, that ever since 1942 the United States has been committed to the principle of an international wheat agreement as the best means of meeting specific wheat problems, that the memorandum of agreement in which this commitment was made was distributed as a public document soon after it was initialed. The international wheat agreement itself was the direct result of two international conferences, one in London in March and April 1947 and one in Washington from January 28 to March 6, 1948. During the preparation which preceded both of these conferences the Government representatives met frequently with and consulted interested United States groups, principally representatives of the farm organizations and staff members of the two congressional Committees on Agriculture. Members of these two committees themselves were also invited to certain of the meetings, but usually did not attend. The final session of the London Conference was open to the press and the draft agreement produced by the conference, upon which full agreement was not reached during the conference, was given to the press at that time and was subsequently publicized in the United States in a number of ways. For example, an article on the London Conference and the text of the draft agreement were published in the State Department Bulletin on June 1, 1947. The final meeting on March 6, 1948, of the special session of the Wheat Council, in which the agreement was actually negotiated, was likewise open to the press and the text of the agreement itself was given to the press at that time. Those interested in the negotiations were therefore given a full opportunity to keep informed of their progress and to examine the various draft agreements which precede the final one signed on March 6, 1948. The final draft differed from the one which came out in the London Conference in only a very limited number of provisions. The forms of the two drafts were identical.

Mr. THOMAS of Utah. Mr. President, many persons have asked about prices. I should like to be able to place the figures in the RECORD as a part of my remarks, to show how we reached the deduction that the wheat treaty might cost, in various kinds of subsidies and support payments, as much as $84,000,000. I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks certain price support figures and calculations.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

1948 price support of wheat	
1. Base period price of wheat (August 1909 to July 1914) average (cents per bushel)	84.4
2. Index of prices, June 15, 1948	251
3. Parity price (1 multiplied by 2) (per bushel)	$2.22
4. Support price (90 percent of parity) (per bushel)	$2.00
1949 price support as of May	
5. Base price (same as 1) (cents per bushel)	88.4
6. Index of prices, May 15, 1949	245
7. Parity price (5 multiplied by 6) (per bushel)	$2.17
8. Support price (90 percent of parity) (per bushel)	$1.95
Calculation of 1949 subsidy	
	Per bushel
9. Cost of wheat on the farm	$1.95
10. Cost of moving crop to port or marketing center	.45
11. Cost of wheat at center (9 plus 10)	2.40
12. Cost of wheat under the agreement	1.80
13. Cost of moving wheat to port	.11
14. Cost of wheat under agreement at port (12 plus 13)	1.91
15. Subsidy required $2.40 less $1.91	.49
16. Guaranteed 168,000,000 bushels at nearest round number 50 cents	84,000,000.00

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 1125. An act to amend section 16–415 of the Code of Laws of the District of Columbia, to provide for the enforcement of court orders for the payment of temporary and permanent maintenance in the same manner as directed to enforce orders for permanent alimony;

S. 1127. An act to amend sections 130 and 131 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, relating to the notice to be given upon a petition for probate of a will, and to the probate of such will;

S. 1129. An act to amend section 16–416 of the Code of Laws of the District of Columbia, to conform to the nomenclature and practice prescribed by the Federal Rules of Civil Procedure;

S. 1131. An act to amend sections 260, 267, 309, 315, 348, 350, and 361 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, to provide that estates of decedents being administered within the probate court may be settled at the election of the personal representative of the decedent in that court 6 months after his qualification as such personal representative;

S. 1132. An act to amend section 137 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, relating to the time within which a caveat may be filed to a will after the will has been probated;

S. 1133. An act to amend section 16–418 of the Code of Laws of the District of Columbia, to provide that an attorney be appointed by

the court to defend all uncontested annulment cases;

S. 1134. An act to amend section 13–108 of the Code of Laws of the District of Columbia to provide for constructive service by publication in annulment actions;

S. 1135. An act to amend the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, to provide a family allowance and a simplified procedure in the settlement of small estates; and

S. 1557. An act to provide for the appointment of an additional judge for the juvenile court of the District of Columbia.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H. R. 1337) to authorize the sale of certain public lands in Alaska to the Alaska Council of Boy Scouts of America for recreation and other public purposes.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 2989) to incorporate the Virgin Islands Corporation, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. PETERSON, Mr. REDDEN, Mr. BENTSEN, Mr. WELCH of California, and Mr. CRAWFORD were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 4046) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. CANNON, Mr. KERR, Mr. RABAUT, Mr. TABER, and Mr. ENGEL of Michigan were appointed managers on the part of the House at the conference.

REORGANIZATION OF THE EXECUTIVE BRANCH

As in legislative session,

Mr. McCARTHY. Mr. President, I hesitate to discuss something not germane to the issue before the Senate today, because I realize that the matter which the distinguished Senator from Utah [Mr. THOMAS] is sponsoring is of great importance and should not be delayed. However, I have waited for about 4 days to obtain the floor. I do not intend to take more than 10 or 15 minutes of the time of the Senate.

Today, Mr. President, I wish to present a program for utilizing the work of the Commission on Organization of the Executive Branch of the Government. Yesterday, June 12, 1949, that distinguished body passed into history, leaving behind it the finest organizational study in the history of our Republic.

Mr. President, in that connection it should be noted that the Hoover Commission established an unusual record. As we know, whenever the Congress or the President establishes a commission or a committee, it is normal procedure to find the organization living beyond its life span and coming before the Congress for additional appropriations and deficiency appropriations. However, the Hoover Commission was due to end at midnight Sunday. It did so. All its equipment—all the typewriters and office equipment and office space—had been surrendered by that time; and instead of requesting a deficiency appropriation, as most committees and commissions do, the Hoover Commission actually turned back part of its funds to the Federal Treasury.

Mr. Hoover has often stated that this matter should remain above partisanship, and that the efforts of the commission should be entirely nonpolitical—as they were. I am sure all of us agree that they should remain so. I am not, therefore, speaking today as a member of any political party; all of us are interested primarily in one thing: the best possible government at the lowest possible price.

Lavish praise has been bestowed upon the Hoover Commission from all quarters. President Truman has said that the study represents a landmark in the field of Government organization. Life magazine states that the reports are characterized by intellectual honesty and sheer brilliance. Newspapers in my State of Wisconsin have been strongly endorsing the Commission's reports. The morning mails bring similar testimonials to each of us.

The Nation is enthusiastic about the reports. Everyone seems to be agreed that Mr. Hoover, the distinguished Senator from Arkansas, the most able Senator from Vermont, and the other members of the Commission have superbly performed an exceedingly difficult task.

This conclusion of their efforts in preparing the reports brings to an end phase one of our attempt to give the Nation a more effective government.

We are now passing into phase two, the action phase. This is the crucial stage. Perhaps the most important question currently before the Senate today is: What action is to be taken on the Hoover blueprints?

At this stage, the Hoover Commission reports lie in our laps. It is now up to us, as Members of the Congress of the United States, to take action on the Hoover reports. Phase two is our phase.

As Mr. Hoover has so often said, this is probably our last chance to give the Nation an efficient government. Time and again, since the earliest days of our history, efforts have been made to do this. One hundred and twenty-one years ago the founding father of the present majority party wrote—and this might well have been written today:

> I think that we have more machinery of government than is necessary, too many parasites living on the labor of the industrious. I believe it might be much simplified to the relief of those who maintain it.

Mr. President, that was said 121 years ago today. So we are not dealing with a new problem.

Neither are we dealing with a problem which has been ignored in the past. The father of the senior Senator from Ohio created a Commission on Economy and Efficiency, in 1910. Presidents Harding, Hoover, Roosevelt, and Truman have also made serious efforts to reorganize our Government. Both political parties have pressed for reorganization in the past. All of their efforts have produced more smoke than they have fire—in fact, practically all smoke and no fire.

As a result, what kind of Government have we today? The answer to this question is disappointing. We most assuredly have an inefficient Government. We have a Government which meticuously pays itself interest on its own money; which maintains four separate sets of books for public debt transactions; which takes 18 months to fire an incompetent secretary; which pays some subordinate officials $4,670 per annum more than it pays their superiors; which does not know how many armored tanks it has; which takes about 8 months before paying benefits to a veteran's widow.

These are but a few striking examples from the thousands in the Hoover reports. They dramatically illustrate a grievous situation, and indicate an urgent need for reform.

Since all of us are familiar with these matters and with the Hoover reports, I shall not belabor the Senate with a further discussion of them. All of us, I know, feel that the reports urgently require action, and that it is our duty to act upon them at this time. The question is not: Should we do anything about the Hoover reports? The question is, How should we do it, and when do we start?

With this in mind, I have carefully restudied the Hoover reports in an effort to answer two questions:

First. What is the present status of legislation required to effect the Hoover reports?

Second. What further legislative steps are necessary?

It is to these two questions that I am addressing the remainder of my remarks today. They will be divided into two parts: Part 1, the status of Hoover Commission legislation, and Part 2, a program to effect the Hoover reports.

PART 1. THE STATUS OF HOOVER COMMISSION LEGISLATION

The Hoover Commission has forwarded to the pertinent committees in each House drafts of legislation required to effect many of its recommendations. Some of these bills have been introduced; some have not yet been introduced. At least one more bill is in process of preparation. We hope to introduce the last bill within the next week or 10 days. Today I have introduced the bills which thus far have been prepared. These bills are being introduced in order to set in motion the hearings, discussion, and debate on the Hoover reports. I believe that the success of reorganization depends upon the taking of prompt action on these bills, but I wish to make it clear that by introducing them I am not endorsing them in every detail, nor am I endorsing every specific proposal which they contain. My purpose in introducing these bills—all of them drafted by the staff of the Hoover Commission—is, in effect, to get the ball rolling.

I am sure Mr. Hoover would be the very last to maintain that these bills in their present form are letter perfect. They might be more appropriately characterized as skeletons upon which we in the

Congress must now hang the flesh. However, they should be used as the starting point for our deliberations on the subject of reorganization. It is vital that these bills be considered at the earliest possible moment. Mr. President, they are the keystone of the structure proposed in the Hoover Commission reports.

The recommendations of the Hoover Commission can be effected in three ways, through three different channels.

First, through firm administrative action by the President and by the heads of departments and agencies, within their own bailiwicks. This phase does not require further legal authority from the Congress.

Second, through reorganization plans which the President would submit to the Congress. In that respect, Mr. President, I think we have today an extremely unfortunate situation. The Senate, as Senators know, unanimously passed the so-called reorganization bill. That is the bill giving the President almost unlimited power, power which he does not now have, the power to clean house, or in effect to clear away the brush.

Mr. TOBEY. The debris.

Mr. McCARTHY. That is correct, the debris. My figure may be off a little, but there are roughly 80 of the Hoover recommendations that can be put into effect by the President if he is given the power which the Senate would give him. Speaking only of the major recommendations, there are some 130 or 140 of the recommendations which of course could not be put into effect by the President even if he had this power, but must be put into effect by the Congress.

The Senate, as the President knows, unanimously passed a bill giving the President almost unlimited power to clean house, giving him a completely clean bill, despite the tremendous clamor on the part of those interested in various of the 118 different agencies, clamors that their agencies alone should be exempted. All Senators know, although those of us on the Expenditures Committee I believe are more painfully aware of of the situation, tremendous pressure was exerted during the time the bill was being considered, by those who were heartily in favor of reorganization and of streamlining, but only so far as it did not touch their pet agencies.

I do not propose to criticize what the House has done. The House passed an entirely different piece of legislation. It passed a bill known as a single-package bill, which in effect ties the hands of the President and makes it almost impossible for him to do the job which we are now, in the reorganization bill, asking him to do. The House, in effect, at least to some extent, exempts—and I perhaps should not use that word, but I believe it is the proper word to use—exempts nearly half of the vast sprawling Federal structure. The Senate bill differs from the House bill in one other respect. The Senate bill provides that a plan that comes to the Congress from the President can be vetoed by a majority of either House. In other words, it follows the usual legislative procedure, that the President and both Houses shall agree on a reorganization bill. Of course, it gives the President a great number of advantages that he does not have in suggesting normal legislation. First, any plan he sends down cannot be amended even in the slightest degree. Second, the President is sure that his plan will be voted upon within 60 days, so that he is not in the position he would be in if he were merely recommending legislation.

The conferees on the part of the Senate and on the part of the House met, and we thought the differences were not so major but that we could iron them out. It seems, however, that we have reached a stalemate—a stalemate because of the sitdown strike—and I do not question the individual's honesty in doing it—the sit-down strike of one man. As of this time, the Democratic and Republican conferees from the Senate agree wholeheartedly as to what should be done. I believe I am not violating a confidence when I say we have every reason to believe that the President of the United States is in full accord with what the Senate conferees propose to do, and I believe he would for example take the veto provision as it passed the Senate, providing for a veto by a majority of either House. I understand the President did not like that provision. He felt that that would result in the veto of too many of the plans which he would send to the Congress. I, of course, disagree with him on that. I think the Senate and the House are so reorganization minded that if the President sends to the Congress a plan that is half way efficient it will be approved. However, as a concession, the Senate conferees agreed that the veto could only be effected by a constitutional majority; which, of course, means that the President automatically has in favor of his plan all absentee votes, and that would normally mean that in the Senate he would start out with anywhere from 8 to 15 votes in favor of the plan.

Regarding concessions that the House might be willing to make, I was surprised to find that the chairman of the House conferees, who is also the leader of the majority party in the House, made a public statement the other day to the effect that the House conferees were willing to offer a further compromise. The strange thing is that their further compromise was to exempt more agencies of the Federal Government. That seems to be ridiculous in the extreme. We go into conference and we say, "We feel the President should be given a free hand to reorganize. We think he can send to the Congress plans that are good enough to be approved by Congress. We will give him, in favor of his plans, all the absentee votes." The House says, "We will compromise, but our system of compromise is to make the bill even worse than when we passed it. Instead of exempting in excess of one-third of the whole sprawling Federal structure, we will compromise by making it impossible for the President to reorganize. We will give him more of the things he does not want in this bill." That is the compromise offer the House has made.

Mr. LUCAS. Mr. President, will the Senator yield for a question?

Mr. McCARTHY. I yield.

Mr. LUCAS. Are the conferees still meeting?

Mr. McCARTHY. The conferees are no longer meeting. We adjourned without setting another date. We felt it was useless, because the chairman of the managers on the part of the House—I am not sure whether Mr. McCORMACK is technically the chairman or not, but he is acting as such—has in effect told us he would not accept what we have offered. He has offered a single compromise. I may say I very much dislike to do anything that appears to be criticizing a Member of the House on this floor, but I do think the Senate needs to picture Mr. McCORMACK'S only compromise, which is one to exempt more of the agencies—a compromise which I think would be fatal to the bill. I stand corrected. He made one other offer of compromise. He said he would take the one-House veto, if it were done by a three-fifths vote. But actually, a three-fifths vote is practically the same as a constitutional majority, and that is no stumbling block. A stumbling block as of today is the insistence upon the part of three of the House conferees that we exempt a vast number of agencies. As of the present moment, five Senate conferees and, incidentally, the two Republican Members of the House agreed wholeheartedly that we should go along with this compromise, and in effect give the President what he wants. We have been informed that the President has a number of plans which he wants to send to the Congress. We know, of course, that there is a 60-day waiting period between the time the plan comes to the Congress and the adjournment of Congress, so that unless we get some action on the part of the majority leader of the House very soon, all of our plans for reorganization will in effect be thrown out the window.

Mr. LUCAS. Mr. President, will the Senator yield further?

Mr. McCARTHY. Certainly. But may I first make it clear that I am not criticising the President? I do not know how much power he has over his majority leader. I did not see the President. I have no authority to say what he has agreed to do. But I understand the Senate conferees' version of the bill is acceptable to him. If that is true, I think the President himself has gone a considerable distance in attempting to get reorganization. I do not know how much authority he has over his majority leader in the House, but I certainly hope he exerts whatever power he has. I may say he perhaps could use some of the threat of patronage which he used in order to censure some of the southern Democrats. It might be effective.

I yield to the Senator from Illinois.

Mr. LUCAS. Of course, Mr. President, I do not want to go into the question of patronage in connection with this reorganization plan, because a reorganization would certainly be a nonpartisan approach to what seems to me to be one

of the most important schemes of bringing about efficiency and savings to the Government of which I am aware.

Mr. McCARTHY. I will say to the Senator from Illinois that he certainly contributed a great deal to getting the reorganization plan through the Senate. I think the Senator from Illinois, who is the leader of the majority party in the Senate, should receive a great deal of credit for getting the bill through the Senate. I think it required only 40 minutes of debates, and I certainly give the Senator credit. I know from statements he has made in the past that he is deeply concerned with having an efficient reorganization of the Federal Government.

Mr. LUCAS. I appreciate what the Senator says regarding the expeditious way in which the bill was handled in the Senate, but it was necessary to have the cooperation of the Members of the Senate in order to do what was done. I have before congratulated the Members of the Senate, both Democrats and Republicans, for the expeditious way in which we passed the bill. But I regret to learn that the Senator from Wisconsin feels that no more conferences will be held.

I should like to say, also, that while I am not sure what position the President of the United States takes with respect to what should be done in the Congress, I know that he is very loath to go into conference and express his opinion as to what should be done as between the conferees of the Senate and the House. I have heard him make the statement that he does not want to do that, because he does not feel it is his prerogative to come up to the Capitol and tell the House and Senate what should be done. Former President Herbert Hoover, in whom America has confidence, and President Truman have agreed that reorganization is very essential at this hour when everyone is clamoring for reduction in expenditures by the Government, and the Hoover Commission tells us there is a great opportunity, through reorganization of the Government, to do that very thing. Then we find a deadlock between the House and the Senate. The country will place the responsibility upon the House and the Senate for the failure to pass the legislation. It will not place it upon the President of the United States.

The Senator from Arkansas [Mr. McCLELLAN] is not in the Chamber at the present time, but I should like to say that I hope the committee will continue to confer with Members of the House of Representatives with a view of attempting to reach some agreement with respect to what should be done with reference to the reorganization bill.

I can corroborate what the Senator from Wisconsin said a moment ago, and I say to the Senate and to the country that the President of the United States at this very moment has half a dozen plans which he wishes to submit to the Congress for action, and he would like to do it quickly, but he cannot do it so long as there is an impasse.

Mr. McCARTHY. I thank the Senator from Illinois.

I believe we all agree that the Hoover Commission, a completely nonpartisan commission, composed of Democrats and Republicans, have estimated that we can save in excess of $3,000,000,000 if we put into effect the major portions of the Hoover recommendations, those which are fairly noncontroversial. I think that is an extremely conservative estimate. Individual members of the committee estimated that savings might amount to five or six billion dollars. I think it is nothing short of tragic that this deadlock exists. I would rather call it a sit-down strike. If the Senator from Illinois suggests that we should continue the conference, the Senator from Wisconsin will be very happy to go back to the conference. I do not know how many times we have been in conference. The attitude on the part of the majority leader of the House, who, unfortunately, is acting as chairman of the conference, is simply that unless the bill will continue to exempt a vast number of Federal agencies, we shall not pass any reorganization plan.

I should like to say to him now, for the record, that he does not need to be so concerned about any of those things. I believe that if the plan which the President sends down is a good one and fairly treats all the Government agencies, the Senate and the House will have a chance to vote upon it. I am sure no agency will be unfairly treated.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. CAPEHART. What agencies does the House wish to retain?

Mr. McCARTHY. I do not have the bill before me, but there are 9 or 10 of them.

Mr. CAPEHART. But the Senator cannot name them?

Mr. McCARTHY. One of the agencies would be the entire Military Establishment. The House bill does not say "exempt." It provides for what is known as a separate package. But if we say to the President, "You must send down a separate package in regard to agencies A, B, C, D, E, F, and G," and we attempt to accomplish some over-all reorganization so far as personnel may be concerned, his hands are completely tied.

Mr. CAPEHART. Mr. President, will the Senator yield further?

Mr. McCARTHY. I yield.

Mr. CAPEHART. Are we to understand, then, that the only difference between the House and Senate conferees is that the House desires to retain some existing agencies? Is that the only difference?

Mr. McCARTHY. No; that is not the only difference. The House also takes the position that the plan should become law unless by joint resolution it is rejected. The Senate takes the position that both the Senate and the House should have a chance to vote upon the plan. In other words, if the House plan were adopted, forgetting about the agencies exempted, if the reorganization plan came first to the House and were passed by a majority of one vote, the Senate would never have an opportunity to scrutinize the legislation.

Mr. CAPEHART. The House is insisting upon one branch of the Congress having the right to place the plan into effect; is that correct?

Mr. McCARTHY. Yes, together with the President. I discussed it with some of the Members of the House in order to get their thought. One of the reasons why many of them have felt that certain agencies should be exempted is that they contend that under the House plan, if the bill should first come to the Senate and the Senate should approve it by a close vote, the House would never have a chance to vote on it. If I thought the Senate could never have an opportunity to scrutinize the plan and vote upon it, I am inclined to think I might favor exempting certain agencies. In other words, I do not think the President should have unlimited power to legislate with one House. It is fundamental that whenever we pass new laws we must have the approval of both Houses of the Congress. We have gone a step beyond that, one of which I did not approve, but I joined in it in the hope that by compromising we could get the bill through. We did agree that a veto could only be effected by a constitutional majority, which, as I explained before, and as the Senate knows, means that any plan the President sends down would automatically have in its favor all absentee votes.

Mr. CAPEHART. Mr. President, will the Senator yield further?

Mr. McCARTHY. I yield.

Mr. CAPEHART. Who is the chairman of the conference committee?

Mr. McCARTHY. The very able Senator from Arkansas [Mr. McCLELLAN], who, I believe, has made every effort to break the log jam, to end the "sit-down strike."

The third channel through which these recommendations can be accomplished is through the passage of legislation by the Congress. The Commission's bills have been drafted with two assumptions in mind: first, that firm administrative action will be taken; and, second, that reorganization authority would be granted to the President. A very considerable portion of the Commission's program—say 60 percent—can be effected by these two methods The legislative proposals are, therefore, premised upon these assumptions. Unless these two steps are taken, and taken aggressively, the Commission's bills may have to be revised materially.

It should be particularly noted that substantial changes may be required in the bills; that is, if the reorganization plans submitted by the President to Congress do not conform to the wishes of the Congress.

I shall now discuss the progress being made in current legislative proposals arising from the Hoover Commission reports.

The Senate has passed the general reorganization bill, Senate 526, which I have discussed.

General management of the executive branch: The Hoover Commission submitted its first report to Congress on February 5, 1949. A few days thereafter S. 942 was introduced in the Senate and a companion bill, H. R. 2613, was intro-

duced in the House. The Committee on Expenditures in the Executive Departments, on which I have the honor to be the ranking minority member, is still working on this bill. Its primary importance would be to clarify, insofar as organizational matters are concerned, the authority granted to the President in the Constitution "to take care that the laws be faithfully executed."

Military reorganization: In response to a Presidential message regarding the Hoover Commission report on the national security organization, the Senate has passed the Tydings bill, S. 1843. This bill would give to the Secretary of Defense further authority to unify the armed services. It also provides for modernized budgetary and fiscal procedures. The latter provision is particularly important, because the military spends over one-third of the total budget of the Federal Government. This most promising bill should, according to Secretary Johnson, permit over $1,000,000,000 per annum of savings in the next few years. Mr. Hoover and Mr. Eberstadt, who worked closely with the Armed Services Committee on it, estimate $1,500,000,000 of savings if the grant of authority is vigorously executed.

General services: The expenditures committees of both Houses have reported favorably upon a bill to establish a General Services Administration, and to simplify and modernize Federal supply activities—S. 2020 and H. R. 4754. The Senate bill originally was not in accord with the Commission's recommendations, but has been substantially rewritten and does now so conform, except in one major respect. It would place the construction functions of the Federal Works Agency in the new General Services Administration.

However, the Committee on Expenditures in the Executive Departments I believe is unanimous in its feeling that this was merely a temporary resting place for this agency, and that at a subsequent time it would be transferred, either by the approval of a Presidential plan, or by separate legislation, into the Interior Department.

According to the Commission's task forces, annual savings from this measure should exceed $250,000,000 per annum, if it is vigorously executed.

Federal-State relations: The Committee on Expenditures in the Executive Departments has completed hearings on several bills and has introduced S. 1946, to establish a National Commission on Intergovernmental Relations. The impetus for these bills came in part from the Hoover reports. Under it a bipartisan commission, comparable to the Hoover Commission, would be created to work out the interrelationships between Federal, State, municipal and county governments. The savings attainable through eliminating duplication of taxes and administration between Federal, State, and local governments could be very great.

The Hoover Commission's bills on the reports to which I now refer were introduced on June 8, 1949. The first was the Veterans' Life Insurance Corporation bill. Next was the Federal personnel policies bill.

The following bills were introduced today: A bill providing for budgeting and accounting. I had originally listed the medical services bill, but this bill was introduced by the Senator from Utah [Mr. THOMAS] earlier. There were also introduced bills relating to the Treasury Department, the Commerce Department, and to social security, education and Indian affairs, and overseas administration. The Commission has not yet forwarded to the Congress its bill relating to the Federal business enterprises.

I might say that I am of the opinion that while we are hopeful that we may have something drafted in rough form within the next 2 or 3 weeks, I do think there is a very great possibility that we will be unable to introduce all the necessary legislation this year. The amount of work involved in drafting legislation to implement the Hoover Commission reports in regard to the Federal business enterprises is so vast, that I doubt very much if we will be able to have that in presentable legislative form at this session of the Congress.

It is felt that legislation is not required on reports Nos. 18 and 19, that is, the Federal research activities, and the concluding report.

In addition to the bills listed above, two bills stemming from the Hoover Commission reports have been enacted into law: (1) H. R. 2216, providing for an Under Secretary of Defense; (2) S. 1704, which gives to the Secretary of State authority to reorganize that Department, as was recommended by the Commission. This bill also creates four additional Assistant Secretaries of State, two more than the Commission recommended; but it fails to mention the Commission's recommendations relating to the Foreign Service Act of 1946.

While I believe that Senate bill 1704 is essential and excellent legislation, and will accomplish much, I believe the unfortunate thing is that it may establish a trend, though I sincerely hope not. It deals with the Hoover Commission report insofar as adding additional personnel is concerned, but completely disregards the Hoover Commission report insofar as eliminating unnecessary personnel is concerned. I sincerely hope that this will not be the pattern we will follow, because if we do, it will certainly cut down the value of the legislation tremendously.

So far, I have described the bills on the major Hoover Commission recommendations. In addition, there are several independent bills under consideration which stem, to some extent at least, from the Hoover Commission recommendations. These include:

S. 498, to increase rates of compensation for key Government officials.

S. 247, to create a National Science Foundation.

Senate joint resolution to investigate air-mail subsidies.

S. 1518, to revise the Classification Act.

Senate bill to create a Department of Welfare.

These measures conform in certain respects with the Hoover Commission's recommendations, but deal only with segments of reports.

Furthermore, other major legislative proposals under consideration are affected materially, in their organizational aspects, by the Hoover Commission recommendations.

Among these are the bill to broaden and extend the social security system, the housing bill, and a bill dealing with health insurance. I emphasize that these bills are influenced by the Hoover Commission report insofar as the organizational procedure is concerned and not as to the policy set forth in the bills.

Mr. LONG. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield to the Senator from Louisiana.

Mr. LONG. I would say to the Senator that I believe he will find a substantial number of the Hoover recommendations included in whatever pay legislation is brought forth from the subcommittee on classification and pay. I believe he will find that those personnel-management suggestions which have been made, so far as they are practicable, will be incorporated in the legislation.

Mr. McCARTHY. I think the Senator is correct, and happily so.

Mr. President, almost every piece of major legislation before the Congress today is affected to some extent by the Hoover Commission recommendations.

In summary, this is the present statun of the Hoover Commission bills:

	Bills
Enacted into law	2
Passed by the Senate	2
Pending before the Senate	2
In Senate committees	4
Introduced in Senate today	9
Not yet received from Commission	1
Total	20

As a matter of first priority, the Senate should, in my opinion, proceed promptly on the two bills which have been reported out by the Committee on Expenditures in the Executive Departments, and reported out unanimously, the general services bill, S. 2020, and the Federal-State relations bill, S. 1946.

The committees concerned I believe should act vigorously on the three bills which are in committee, S. 942 and the other two bills I have mentioned, and the other eight bills which I introduced today.

It will be of considerable interest to the Senate to know the priorities which Mr. Hoover has himself informally assigned to these bills. In his opinion the three bills which require priority treatment in the Senate are, No. 1, the personnel bill; No. 2, the budgeting and accounting bill; and, No. 3, the post office bill. Without reforms in personnel and without reforms in budgeting and accounting, any other steps we may take will be like building a house on sand. The grievous deficiencies in these two matters permeate all agencies and all activities of the executive branch.

The postal deficits, as we all know, are continually soaring, and the need for very urgent action in this matter is obvious to all of us.

The general services bill, S. 2020, is noncontroversial and should be handled as part of the normal business of the Senate.

I may say, in connection with postal deficiencies, Mr. President, that there has been suggested by the head of the Post Office Department a bill specifically increasing the postal rates, especially on second-class matter. I think it would be a grievous mistake for the Senate to attempt to pass that legislation in its present form. I think we should go into legislation of that nature, but to pass it in its present form would be a grievous mistake. I believe it is impossible for us at this time to determine what postal increases, if any, are necessary, because of the haphazard bookkeeping methods in the Post Office Department.

Mr. LONG. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. LONG. If the Senator would investigate the situation thoroughly I believe he would not find anything like the deficiency in the Post Office Department which he believes to be there. I rather believe he would find that the rural delivery service, for example, is delivering about 50 or 60 percent more mail, with the same number of persons employed, as was delivered in the past. I believe the Senator will further find that the cost of handling the mail has declined, but he will also find that the Post Office deficit is created almost entirely by the fact that as the result of the war and higher cost of living we have been obliged to increase the pay of the postal employees—at least, the present Congress and the previous Congress did—just as everyone else has received an increase in pay, although at the same time there has not been a substantial increase in the number of employees.

Mr. McCARTHY. Mr. President, I must say that I heartily disagree with the Senator from Louisiana. It must be understood that I have made no personal survey, but the Hoover Commission has made a survey. The members of that Commission have not indulged in any investigation of a political nature. They are competent men.

Let me give an example of what the Hoover Commission has stated. We cannot blame the head of the Post Office Department for the situation as it is. His hands are tied to a great extent by red tape.

One of the things the Hoover Commission found, and on which it made a recommendation, was the need for mechanization. It has reported that by proper mechanization of the Post Office Department a saving of $150,000,000—I believe the figure is—could be made in a year.

Another reason for a deficiency in the Post Office Department is an artificial shortage, which comes about through hidden subsidies. As of today we subsidize the air lines. I believe that is necessary. We subsidize the railroads to a certain extent. We subsidize shipping. I am not criticizing these subsidies at this time, and I do not want to go into a discussion of these subsidies. But if we decide it to be the policy of the Government to pay these subsidies, it seems to me foolhardy and rather ridiculous that we should charge those subsidies to the Post Office Department. They should be a charge against the general tax fund, I believe. It is an artificial deficit, but it is there. I do not believe we can pass a law to increase postal rates—and certainly not the one which has been recommended—until we have isolated those hidden subsidies and brought the Post Office Department up to date.

Mr. LONG. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. LONG. I would say to the Senator that I believe the only item which would result in any savings to the Government is that of increasing mechanization. What good would it do to shift the loss resulting from the subsidy paid to the air lines to some other account? The shifting of the loss from one place to another would not result in any saving. It would simply mean that we would try to pull ourselves up by the left bootstrap instead of the right. It would not mean the saving of any money.

Mr. McCARTHY. Mr. President, I believe we cannot charge to the users of second-class mail, for example, a subsidy which we pay to the steamship lines or the air lines or the rail lines. In other words, the proposed postal increase would saddle onto the users of the mails the cost of subsidies which should be charged against the general tax fund. I do not see how we can do away with any loss in that particular respect. But I say we cannot intelligently pass a bill providing for a postal increase unless we have isolated those hidden subsidies, and say, "Those subsidies shall be charged against the general tax fund."

Mr. LONG. Mr. President, will the Senator yield for a further question?

Mr. McCARTHY. Yes.

Mr. LONG. I should like to say to the Senator that it is conceivable that we might bring about substantial savings in the Post Office Department by greater mechanization. I do not really know whether such savings could be brought about. But I agree that possibly it is true that such savings might be brought about. I doubt, however, whether the savings would amount to $150,000,000. But even if it were true that such savings could be brought about, and that we could eliminate the hidden subsidies in the Post Office Department, amounting in all to $150,000,000 or even to a total of as much as $200,000,000, yet we have a deficit in the Post Office Department of more than $300,000,000.

Certain mails carried by the Post Office Department could not possibly begin to pay their way. For example, a man mails a third-class letter. He pays 1 cent postage on that letter. We know, by cost accounting, that it costs us 2.7 cents to deliver that letter. If the cost of mailing such a letter were more in line with the service rendered to the person who mails the letter to someone who is not soliciting that letter at all—and I believe 90 percent of such mail goes into the wastebasket—we would not have the enormous deficit that now exists. I do not see how we can begin to wipe out the deficit unless we make the postal rates somewhat more in line with the service we are rendering.

Mr. McCARTHY. Mr. President, I do not personally claim to be an authority on the Post Office Department. I have not made any personal investigation of it. All I can do is rely on the Hoover Commission report. The report, I believe, was unanimously made. No one dissented. Therefore, you and I must assume that since those who made the report spent roughly 17 months in investigating the Post Office Department, and since there is no dissent in the report, and the report says that the bookkeeping system in the Post Office Department is so haphazard, so out-moded that it is impossible to know what type of an increase is necessary in order to put the Post Office Department on a paying basis—when the Hoover Commission unanimously, I believe, and I am not aware of any dissenting opinion, says that the Post Office Department has completely lost any sense of cost-consciousness and is very incompetently and inefficiently operated, then all I can do, until I have some proof to the contrary, is to assume that that is true, and if it is true I do not believe we should load what I believe would be really a tremendous burden on the users of mail at this time to pay for increased and added efficiency.

Let me call a matter to the Senator's attention of which he may not be aware. What I shall speak of is true in my State, and I am sure it is true in his State. There are a great number of weekly newspapers in my State. They are fairly small. There are also a great number of small daily newspapers. There are a great number of small church and labor periodicals. Practically all those newspapers and periodicals must depend upon the mails as their outlets, their delivery service. I believe it has been quite definitely established that if we increased the rate on second-class mail, as the Postmaster General has suggested, it would put out of business practically all the smaller newspapers and would create what I believe would be a dangerous monopoly in the larger newspapers. The larger a magazine or newspaper becomes, the less it must depend upon mail delivery service. It can depend upon newsstands and its own trucking service. I have spoken to owners of larger newspapers who have said they will be hurt by such an increase in postal rates, not so much by reason of the added postal expense, but by reason of the fact that they will have to resort to their own truck delivery service. If we pass the bill providing for a rate increase at this time, as suggested by the Postmaster General, I believe that within a very short time we shall find most of the small newspapers, the church newspapers, the labor newspapers, and the small farm magazines and newspapers going bankrupt. We shall find a great monopoly in the larger newspapers and national magazines, which can depend upon the newsstands and their own trucks for an outlet. The end result would be that the Post Office Department would be deeper in the red than it is at present. I think we should not follow the suggestion which has been made under any circumstances until we have brought the Post Office Department

up to date. Let us enact legislation mechanizing the postal service to whatever extent is necessary, and bring it up to date so that it will be competently and efficiently operated. After that is done, I believe we should consider what additional postal increases are necessary.

Mr. LONG. Mr. President, will the Senator yield for a further question?

Mr. McCARTHY. I yield.

Mr. LONG. It is really more in the nature of a statement. The Senator is assuming that the finding of great inefficiency in the Post Office Department by the Hoover Commission is correct. I have found, in a study of some of the Hoover Commission reports, that although some of them are extremely sound, some are completely off base. In some instances the Hoover Commission has no conception of what it is talking about.

For example, there is a recommendation in the Hoover Commission report that the Inland Waterways Corporation be dissolved. That recommendation is based upon certain assumptions. One of those assumptions is that the Inland Waterways Corporation has almost continuously lost money. Rather than having lost money almost continuously, the facts show that from the time it started in 1924 until 1938, before the war, it almost continuously made money. As I understand, it made money in every one of those years up to 1938.

The second assumption, and the second statement set forth as a finding following the study, was that the Inland Waterways Corporation was rendering service which private enterprise was already performing. Representatives of the private barge lines testified in the hearings that they were not in a position to render service to small shippers, which means in effect, that 60,000 shippers would not have service, and that only 15 or 20 large corporations would be served if the Inland Waterways Corporation were dissolved. That assumption was wrong.

In addition, other assumptions were made in the Hoover Commission report which were found to be incorrect as a basis for recommending that the Inland Waterways Corporation be dissolved.

Mr. McCARTHY. Let me say to the Senator from Louisiana that I think it is entirely possible to find in the Hoover Commission Report, which consists roughly of 2,000,000 words, a number of things that are mistakes. But when the Hoover Commission unanimously recommends something, I believe that its recommendations should be entitled to great consideration. The members of that Commission had no grudge against the Post Office Department. They are interested in more efficient postal service for less money. When they say that the situation in the Post Office Department is almost hopeless, that the bookkeeping is bad, and that the management is bad—not because of the work of any one man in the Post Office Department, but because of the particular organization—I believe it is up to the Congress to change the situation. What I say is not intended as criticism of the Post Office Department or of the Postmaster General. I do not believe that he has authority under existing law to clean house and create an efficient organization. However, I think it is up to us to give him such power.

The cost of delivering mail will undoubtedly increase in some respects. For example, there are some necessary wage increases so far as postal workers are concerned. There are additional retirement benefits to which they are entitled, and which I hope they will get at this session. Those factors will increase the cost of the postal service. I am not speaking of cutting down those expenses. I am speaking of cutting down waste, incompetency, and inefficiency. I do not claim to be an authority. However, I have assumed that when this report says that the situation is very bad, there must be something wrong.

Mr. LONG. Mr. President, will the Senator further yield?

Mr. McCARTHY. I yield.

Mr. LONG. I point out to the Senator that if he will check the recommendation with respect to the Inland Waterways Corporation, he will find that it is based upon three major assumptions; and he will find that all three major assumptions are wrong as a basis for recommending that that Corporation be dissolved. If that type of mistake was made in connection with that recommendation, we should check the others to find out if the assumptions on which they are based are sound before we rely upon the Hoover Commission report.

Mr. McCARTHY. Mr. President, at this time I ask unanimous consent, out of order, to introduce a bill. I must say that I am doing it only because it has just been handed to me, and not because of what the Senator from Louisiana [Mr. LONG] has said. I introduce a bill making various changes in laws applicable to the Post Office Department in order to furnish a basis for a reorganization of the Department, and for other purposes. Again I emphasize that I am not introducing it at this time because of the exchange with the Senator from Louisiana, but because it has just been handed to me.

The PRESIDING OFFICER. Without objection, the bill will be received and appropriately referred.

The bill (S. 2062) making various changes in laws applicable to the Post Office Department in order to furnish a basis for a reorganization of the Department, and for other purposes, introduced by Mr. McCARTHY, was read twice by its title, and referred to the Committee on Post Office and Civil Service.

Mr. McCARTHY. Mr. President, while speed in the passage of this legislation is, of course, necessary, it must be borne in mind that most of the Hoover Commission bills have been received fairly recently. They deal with exceedingly complex matters. Of course, we would be derelict in our duty if we did not take the necessary time to consider them very carefully and make the changes which we feel may be necessary.

In that connection, let me say to the Senator from Louisiana that I do not blindly subscribe to all the Hoover Commission recommendations. I think it would be too much to expect that that body could, in 17 months, give us recommendations which should be adopted in toto and which would do the job which the Commission thinks should be done. For example, there are many features of the bill with respect to medical services with which I heartily disagree. There are two schools of thought on that subject which are poles apart. The Senator from Louisiana and I are members of the same committee. I should like to sit down and discuss the question with him. I am sure that we shall have no difficulty, under the leadership of the Senator from Arkansas [Mr. McCLELLAN], in agreeing upon a bill which will do the job which we all want to do.

Mr. LONG. Mr. President, will the Senator further yield?

Mr. McCARTHY. I yield.

Mr. LONG. I am sure that there are a great number of valuable recommendations in the Hoover Commission report, many of which I have studied, and to which I intend to address myself in connection with legislation coming from the Committee on Post Office and Civil Service. I also find that there are a substantial number of inaccuracies, as I assumed there would be in a report so long and comprehensive. I believe that we should study each of these proposals before we attempt blindly to enact them.

Mr. McCARTHY. I heartily agree with the Senator.

Mr. President, the Eighty-first Congress can make a brilliant record in connection with these bills at the present session. For this reason I strongly recommend that we proceed with all possible speed, at the same time giving due consideration to every line of thought and to every suggested amendment to the bills. I shall discuss more specifically a suggested program for effectuating the Hoover reports.

PART 2. A PROGRAM TO EFFECT THE HOOVER REPORTS

In its report on S. 164, of the Eightieth Congress, a bill to create a Commission on Organization of the Executive Branch of the Government, the Committee on Expenditures in the Executive Departments made the following statement of intentions:

> The substance of these findings and recommendations cannot, of course, be anticipated, except in the general terms already discussed. It is, however, the sense of the committee that the Commission's recommendations should be in the form of specific legislative proposals to effectuate the changes indicated by its findings. It is recognized that findings and recommendations of investigatory bodies too often take the form of voluminous records from which the Congress must extract the material for legislation, a process which is, unfortunately, apt to result in no legislative proposals at all. Therefore, the Commission will achieve one of its most valuable services if it lays before the Congress a prepared bill for the reorganization of the executive branch.

The Hoover Commission has virtually fulfilled this obligation. As I have previously noted, we are hopeful that within the next week or 10 days or 3 weeks it will have done so entirely. At the same time, various pieces of independent legislation have originated within both Houses, or have resulted from Presidential messages on reorganization. The present situation is confused. In some

cases this independent legislation has not followed the basic premise of the Hoover reports. In some cases it has. In most cases it deals only with portions of reports. The subject is too important to be handled by patchwork. In my opinion the situation must be clarified.

In order that there may be systematic coverage and adequate consideration of the questions raised in these reports, I believe that we should adopt the following specific program:

First. The Hoover reports should be given a definite priority in the Congress.

Second. The Hoover bills should be the basis for congressional action. Unless we use the bills submitted by the Commission and perfect them, rather than enact piecemeal legislation inspired by the Hoover Commission reports, the presently confused situation will soon get completely out of hand. There are at least 25—and perhaps 50—independent bills now under consideration. Most of them are excellent bills. Most of them have been drafted by men who are deeply concerned with improving the Federal structure. Most of them are inspired by the Hoover Commission reports, but handle the subject piecemeal. Some deal with trivial matters. Some deal with segments of reports, and others are quite inconsistent with the Hoover Commission reports. Comparing all those bills with the Hoover Commission bills is far beyond my capacity at this time, or the capacity of my limited staff.

By failing to use the Hoover bills, we are bound to be inconsistent and to omit major proposals of the Commission. The sheer mechanics of controlling and following these matters requires systematic treatment. Using the Commission's bills is the only way I know of doing it.

Third. Hearings should be held promptly on the Hoover Commission bills and its experts should be utilized wherever possible. These hearings should be commenced on these bills as soon as possible. They should be as abbreviated as possible. In view of the heavy demands already being placed on the staffs of our committees, they will need assistance. The representatives of the executive branch, of the General Accounting Office, and of the Hoover Commission and its task forces should be brought in to assist the committees' staffs in the drafting of detailed legislation.

At this point, Mr. President, I would like to say that we found the legal staff of the Bureau of the Budget and the staff of the General Accounting Office and of any number of other executive agencies 100 percent cooperative in helping us iron out the details and the kinks in the various Hoover Commission bills. I think they certainly should be complimented for their assistance to us.

In this matter, it is vital that the Hoover Commission's experts be used before they have lost contact with the Commission and with the subject matter of their surveys.

Fourth. The reorganization plans of the President should be considered at the earliest possible date, realizing, of course, that we cannot consider them until the President sends them to us, and realizing that until the conferees work out the House and Senate versions of the legislation giving the President this authority, he cannot send them to us. Due consideration should be given to the reorganization powers that may be vested in the President and to the substance of any reorganization plans which he may submit.

Fifth, and I think this is of the utmost importance—Congress should not adjourn until it takes action. As many of these bills as possible should be passed in full at this session. At least three-fourths of them would be a reasonable expectation. I repeat that I do not believe the Congress should adjourn under any circumstances until it takes action on as many of these bills as possible. Mr. President, I think Congress would be derelict in its duty if it adjourned before passing on at least three-fourths, I would say, if not all, of the Hoover Commission bills. In fact, there is no reason why the Congress should not pass on every one of them except the one to which I referred previously, which, frankly, I believe will not be in legislative form at this session.

I grant that this program presents major difficulties. We are dealing here with many complex matters and some matters of controversial nature. Fortunately, however, most of the Hoover Commission's recommendations are not too controversial. Of course, many of us have not yet read all the Hoover Commission's reports. The legislation which we do enact, therefore, will perhaps be neither perfect nor complete; but I believe we must make a strong start. The refinements can be made later.

To date the Congress and the Administration have followed what might be called the piecemeal approach to the Hoover reports. This, it seems to me, is not the best way to undertake our task. Mr. Hoover, the distinguished Senator from Arkansas, the very able Senator from Vermont, and the other members of the Commission have given us an integrated blueprint. The legislative proposals submitted to us by the Commission have been based upon the interrelationships of the various parts. If we fail to use them, the pitfalls will be many.

Mr. President, this matter is of great importance. If, for example, the personnel recommendations of the Commission are not followed, numerous revisions might be required in every one of the departmental bills. These bills are premised upon a personnel bill providing for a first-class merit system. Similarly, the bill on the Department of Commerce and that on the independent regulatory commissions are dependent on each other. This integrated pattern runs throughout the legislative proposals. Unless these bills are considered in relation to each other, the entire reorganization may end up a total failure.

As I said at the beginning of this speech, I am not speaking as a member of a political party. I think it is of the utmost importance that we treat this subject in a completely nonpartisan manner, just as the very able chairman of the Committee on Expenditures in the Executive Departments has treated it in the committee. For example, there are many among us who are in favor of various parts of the President's social program. From this point of view the Hoover reports are of extreme urgency, because they could permit the Federal Government to do 10 percent more for the people with the same amount of money.

There are others among us who believe that a program of rigid economy is necessary. From this point of view the Commission reports offer a basis for tremendous savings.

So, Mr. President, in effect, whether Senators belong to the so-called economy bloc, who feel that at this time we cannot afford any major parts of the President's social program, or whether Senators feel that the President's program should be enacted into law, regardless of the group to which Senators may belong, I believe we cannot help but unite on this program, which will save some three or four or five billion dollars. This is one program on which those of all points of view should be able to agree. The policy issues involved in health insurance, housing, welfare, and so forth, should be fought out on the floors of Congress according to their merits. But it is hard for us, as representatives of the people, to feel that we are acting in good faith in pressing our views on these matters, if, at the same time, we have a Government which is wasting its substance in needless overhead and ineffective management.

THE INTERNATIONAL WHEAT AGREEMENT

The Senate, as in Committee of the Whole, resumed the consideration of the International Wheat Agreement, Executive M, Eighty-first Congress, first session, which was open for signature in Washington from March 23 to April 15, 1949, and was signed during that period on behalf of the Government of the United States of America and the governments of 40 other countries.

Mr. THOMAS of Utah. Mr. President, we have made a canvass of the Members of the Senate, and we find no opposition at all to the treaty.

Inasmuch as the Senators who have wished to address themselves to the treaty have concluded their remarks, I think we are justified in suggesting now that the treaty be ratified by voice vote. So I suggest that we now proceed with the various phases of the consideration of the treaty, leading up to its ratification.

The PRESIDING OFFICER (Mr. SCHOEPPEL in the chair). The agreement is open to amendment. If there be no amendment to be proposed, the agreement will be reported to the Senate.

The agreement was reported to the Senate without amendment.

The PRESIDING OFFICER. The resolution of ratification will be read.

The legislative clerk read, as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive M, Eighty-first Congress, first session, the International Wheat Agreement, which was open for signature in Washington from March 23, 1949, to April 15, 1949, and was signed, during that period, on behalf of the Government of the United States of America and the governments of 40 other countries.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification. [Putting the question.] Two-third of the Senators present concurring therein, the resolution of ratification is agreed to, and the agreement is ratified.

RECESS

Mr. THOMAS of Utah. Mr. President, I am about to suggest the absence of a quorum.

The PRESIDING OFFICER. Does the Senator wish to do so in executive session or does he desire to have the Senate return to the consideration of legislative business?

Mr. THOMAS of Utah. Mr. President, it has just been suggested that I not suggest the absence of a quorum.

Therefore, as in legislative session, I now move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 39 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, June 14, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 13 (legislative day of June 2), 1949:

IN THE ARMY

Maj. Gen. Harold Roe Bull, O3707, United States Army, for appointment as Commandant, National War College, with the rank of lieutenant general, under the provisions of section 504 of the Officer Personnel Act of 1947.

IN THE COAST GUARD

The following officers of the United States Coast Guard Reserve to be commissioned in the United States Coast Guard, dates of rank to be computed upon execution of oath in accordance with regulations:

To be lieutenants (junior grade)

James E. Fleming
Edward J. Johnson
Carleton W. Wahl.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 13 (legislative day of June 2), 1949:

SECRETARY OF THE ARMY

Gordon Gray to be Secretary of the Army.

DISTRICT OF COLUMBIA

John Russell Young to be a Commissioner of the District of Columbia, term of 3 years, and until his successor is appointed and qualified.

HIGH COMMISSIONER FOR GERMANY AND CHIEF OF MISSION

John J. McCloy to be United States High Commissioner for Germany and Chief of Mission, class 1, within the meaning of the Foreign Service Act of 1946 (60 Stat. 999).

DEPUTY ADMINISTRATOR FOR ECONOMIC COOPERATION

William C. Foster to be Deputy Administrator for Economic Cooperation.

DEPUTY UNITED STATES SPECIAL REPRESENTATIVE IN EUROPE

Milton Katz to be Deputy United States special representative in Europe, with the rank of Ambassador Extraordinary and Plenipotentiary.

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 13, 1949

The House met at 12 o'clock noon, and was called to order by the Speaker pro tempore, Mr. MCCORMACK.

Rev. Father David M. Buckley, pastor of St. Agnes Parish, Edna, Tex., offered the following prayer:

Almighty Father, Son, and Holy Spirit, shed Thy divine light and power upon this great national legislative body so that all of their deliberations and all of their activity as representatives of a great democratic people may redound to Thy greater honor and glory and to the humility and confidence of all holy men and women who have glorified Thy holy name so wonderfully and contributed to our well-being so powerfully.

In all humility, but with unbounded confidence in Thee, O God of majesty and goodness, I most earnestly implore, O Almighty God, I, Thy most insignificant little child, approach Thy divine majesty, infinitely perfect and infinitely good, remembering the greatness of Thy prophets, who were full of faith and confidence in Thee and yet most childlike and humble before Thee; Thy holy apostles filled with faith and zeal for Thy honor and glory and the welfare of Thy people; the perpetuation of the American way of life for all time.

O God, we have no hope but in Thee; and since Thou art goodness itself and capable of accomplishing all things we hope, in Thy divine majesty, love, grace, and strength, to spend ourselves to Thy honor and glory for the welfare of Thy children here in this great Republic and throughout the whole world. Honor and glory and power to Thee, O God, and to our people peace, charity, goodness, and virtue.

The Journal of the proceedings of Thursday, June 9, 1949, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McDaniel, its enrolling clerk, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 4263. An act to amend section 102 (a) of the Department of Agriculture Organic Act of 1944 to authorize the Secretary of Agriculture to carry out operations to combat the citrus blackfly, white-fringed beetle, and the Hall scale.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 2989. An act to incorporate the Virgin Islands Corporation, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. KERR, Mr. O'MAHONEY, Mr. MILLER, Mr. BUTLER, and Mr. CORDON to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3754) entitled "An act providing for the temporary deferment in certain unavoidable contingencies of annual assessment work on mining claims held by location in the United States."

The message also announced that the Vice President has appointed Mr. JOHNSTON of South Carolina and Mr. LANGER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 49–14.

EXTENSION OF REMARKS

Mr. MANSFIELD asked and was given permission to extend his remarks in the RECORD in two instances and include in each extraneous material.

Mr. TEAGUE asked and was given permission to extend his remarks in the RECORD in two instances and include extraneous material.

Mr. HOWELL asked and was given permission to extend his remarks in the RECORD and include a statement by the national board of the Americans for Democratic Action.

Mr. HÉBERT asked and was given permission to extend his remarks in the RECORD in three instances and include in each extraneous matter.

Mr. GOSSETT asked and was given permission to extend his remarks in the RECORD and include a short article appearing in this morning's Washington Post.

Mr. PATMAN asked and was given permission to extend his remarks in the RECORD and include certain statements and excerpts.

Mr. HILL asked and was given permission to extend his remarks in the RECORD and include a radio address.

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD in three instances and include in each extraneous matter.

Mr. GROSS asked and was given permission to extend his remarks in the RECORD and include a radio address in which he participated.

Mr. SMITH of Kansas asked and was given permission to extend his remarks in the RECORD in two instances and include extraneous matter.

Mr. COLE of Kansas asked and was given permission to extend his remarks in the RECORD and include a resolution by the physician veterans of World War II.

Mr. HARVEY asked and was given permission to extend his remarks in the RECORD in three instances and include letters in two.

SPECIAL ORDERS GRANTED

Mr. PATMAN asked and was given permission to address the House for 20 minutes on Tuesday and Wednesday of

this week, at the conclusion of the legislative program of the day and following any special orders heretofore entered, in lieu of the time he had for today.

Mr. MASON asked and was given permission to address the House for 30 minutes on Thursday next, at the conclusion of the legislative program of the day and following any special orders heretofore entered.

Mr. MACK of Washington asked and was given permission to address the House for 10 minutes on tomorrow, following any special orders heretofore entered.

PERMISSION TO ADDRESS THE HOUSE

Mr. BURDICK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks in the Appendix of the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

[Mr. BURDICK addressed the House. His remarks appear in the Appendix.]

LUCILLE PETRY

Mrs. BOLTON of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mrs. BOLTON of Ohio. Mr. Speaker, there has been an innovation in the Public Health Service of the United States: a woman has been appointed Assistant Surgeon General. She is a nurse, Lucille Petry, a nurse with a matchless career of experience, who has served the Government for some years. She was the head of the Cadet Nurse Corps and piloted that very essential and important corps through the years of the war with rare understanding and ability. Our country is to be congratulated that the Public Health Service has recognized the fact that health is so largely a woman's job, that the Public Health Service of the United States can no longer function except it have in its top councils a nurse, a woman, so qualified in every respect, so consecrated to the service of humanity as is Miss Lucille Petry.

Lucille Petry was born in Lewisburg, Ohio, but soon moved to Delaware. She had her bachelor of arts degree from the University of Delaware, her nursing diploma at John Hopkins Hospital in Baltimore, Md.; then serving on the staff there and at the Yale School of Nursing. Her master's degree from Teachers College, Columbia University, preceded her appointment as assistant director of the school of nursing at the University of Minnesota, from which post she joined the United States Public Health Service in 1941.

Her steps since then have been: 1941, nurse consultant; 1943, on the nursing education committee; 1943, director, Division of Nurse Education; 1943, director, United States Cadet Nurse Corps; 1945, nurse director of the commissioned corps; 1946, Chief of the new Division of Nursing; June 8, 1949, made Assistant Surgeon General, the first woman to be so named. She has been given honorary degrees also; doctor of laws, Syracuse University, doctor of humane letters, Adelphia College, New York; doctor of letters, Wagner College, New York.

This is the visible record, one of honor, showing unusual capacity, rare ability. But Lucille Petry has been so much more. The influence of her gentle strength, her courage, her unswerving loyalty, her tireless purpose is felt in ever-widening circles as the years come and go. The charm of her personality gives a rare beauty to the intelligent purposefulness of her living. We are indeed fortunate to have such a woman appointed as Assistant Surgeon General of the United States Public Health Service.

The SPEAKER pro tempore. The time of the gentlewoman from Ohio has expired.

VIRGIN ISLANDS CORPORATION

Mr. PETERSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 2989, an act to incorporate the Virgin Islands Corporation, and for other purposes, with Senate amendment thereto, disagree to the Senate amendments and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there obection to the request of the gentleman from Florida. [After a pause.] The Chair hears none, and, without objection, appoints the following conferees: Messrs. PETERSON, REDDEN, BENTSEN, WELCH of California, and CRAWFORD.

ALASKA COUNCIL OF BOY SCOUTS

Mr. PETERSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1337) to authorize the sale of certain public lands in Alaska to the Alaska Council of Boy Scouts of America for recreation and other public purposes, with an amendment of the Senate thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, after line 15, insert:

"SEC. 3. That such conveyance shall contain the further provision that if the Alaska Council of Boy Scouts of America shall at any time cease to use the property so conveyed for recreation and other public purposes title thereto shall revert to the United States."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

Mr. HALLECK. Mr. Speaker, reserving the right to object, would the gentleman explain the amendment?

Mr. PETERSON. Mr. Speaker, the other body passed the bill with a new section providing that in the event the Alaska Council of Boy Scouts should at any time cease to use this property for recreational and public purposes, it will revert to the United States. It involves a small tract of land which was originally conveyed to the Boy Scouts. The other body thought best to insert a reverter clause in the bill and we have no objection to it.

Mr. HALLECK. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

ELECTRICAL ROLL-CALL SYSTEM

Mr. NOLAND. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. NOLAND. Mr. Speaker, I have today introduced a resolution which would authorize the installation of an electrical roll-call system. Other resolutions and bills with a similar purpose have been introduced from time to time in recent years.

The House of Representatives owes it to itself as well as to the people to install such a system to facilitate the conduct of legislative business.

We are even now passing on legislation to facilitate reorganization of the executive departments. Improvements in efficiency should not be limited to the executive branch but should be extended to the legislative branch as well.

During my short tenure, I have discussed the electrical roll-call system with many Members and valid objections have been few.

It is high time the National Congress caught up with some 20 State legislatures and installed a modern voting system which would save approximately 25 legislative days per session.

My own State of Indiana has successfully used an electrical roll-call system for several sessions. It has proved more than satisfactory.

Present plans call for the expenditure of several million dollars for the renovation of the House Chamber. I think we would be committing a grave error if we did not survey the possibility of installing an electrical system and make provision therefor at this time.

Several practical difficulties in this system have been pointed out.

It has been said that there must be sufficient time for a Member to come from his office or some Government agency to the floor of the House when there is a roll call. This problem could easily be circumvented by providing a 15-minute or so period of time for a vote to be recorded. With the time saved by an electrical system, 1 day per week could be saved in session permitting Members more time to study legislation and conduct congressional business with Government agencies.

Another objection has been that time is necessary to give due deliberation to a vote. Surely a Member can make up his mind how he is going to vote on a measure that has been under consideration for hours or even days.

With a little study the rules of the House could be adjusted to the use of an electrical roll-call system.

In the days of the jet plane, the atomic bomb, and strato-rocket, is there any

reason why we should cling to the antiquated roll-call system of 1789?

EXTENSION OF REMARKS

Mr. HOFFMAN of Michigan asked and was given permission to extend his remarks in the RECORD in three instances and include certain articles.

SPECIAL ORDER GRANTED

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to-morrow, following the disposition of business on the Speaker's desk, and at the conclusion of special orders heretofore granted, I may address the House for 10 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

EXTENSION OF REMARKS

Mr. DEANE asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. MARSHALL asked and was given permission to extend his remarks in the RECORD.

PERMISSION TO ADDRESS THE HOUSE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a newspaper article.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

[Mr. RANKIN addressed the House. His remarks appear in the Appendix.]

DISTRICT OF COLUMBIA LEGISLATION

The SPEAKER pro tempore. This is District of Columbia Day. The gentleman from South Carolina [Mr. MCMILLAN] is recognized.

SALARY INCREASES FOR JUDGES OF MUNICIPAL COURTS

Mr. MCMILLAN of South Carolina. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 3901) to increase the salaries of the judges of the Municipal Court of Appeals for the District of Columbia and the Municipal Court for the District of Columbia, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the salaries of the judges of the Municipal Court of Appeals for the District of Columbia and the Municipal Court for the District of Columbia authorized by the act approved April 1, 1942 (56 Stat. 191, 194; D. C. Code, title XI, secs. 753 and 771), are hereby increased so that the salary of the chief judge of the Municipal Court of Appeals for the District of Columbia shall be $14,500 per annum and the salary of each associate judge shall be $14,000 per annum; the salary of the chief judge of the Municipal Court for the District of Columbia shall be $13,500 per annum and the salary of each associate judge shall be $13,000 per annum.

SEC. 2. Section 2 of said act of April 1, 1942, is amended by striking out the words "The salary of the chief judge shall be $8,500 per annum and the salary of each associate judge shall be $8,000 per annum" and substitute in lieu thereof the following: "The salary of the chief judge shall be $13,500 per annum and the salary of each associate judge shall be $13,000 per annum."

SEC. 3. Section 6 of said act of April 1, 1942, is amended by striking out the words "The salary of the chief judge shall be $9,500 per annum and the salary of each associate judge shall be $9,000 per annum" and substitute in lieu thereof the following: "The salary of the chief judge shall be $14,500 per annum and the salary of each associate judge shall be $14,000 per annum."

With the following committee amendments:

Page 1, line 9, strike out "$14,500" and insert "$13,000."

Page 2, line 1, strike out "$14,000" and insert "$12,500."

Page 2, line 3, strike out "$13,500" and insert "$13,000."

Page 2, line 4, strike out "$13,000" and insert "$12,500."

Page 2, line 5, strike out all of sections 2 and 3.

The committee amendments were agreed to.

Mr. MCMILLAN of South Carolina. Mr. Speaker, this bill was reported from the committee amended. It proposes to increase the salaries of the judges of the Municipal Court of Appeals—3 judges—and the Municipal Court for the District of Columbia—10 judges.

These are the only judges appointed by the President and confirmed by the Senate who were not included in Federal judicial pay-raise bill of 1946, by which all salaries of Federal district judges were increased from $10,000 to $15,000 a year. They were not included in the Lucas pay bill S. 498, although numerous officials receiving the same salaries as these judges were so included.

Mr. O'HARA of Minnesota. Mr. Speaker, will the gentleman yield?

Mr. MCMILLAN of South Carolina. I yield.

Mr. O'HARA of Minnesota. How do these salary increases compare with the salaries of the municipal judges of other cities of this size in the United States?

Mr. MCMILLAN of South Carolina. I think just about equal; perhaps a little higher than in some of the others.

Mr. O'HARA of Minnesota. I think they are just a little higher than the average.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TO REGULATE THE PRACTICE OF OPTOMETRY IN THE DISTRICT OF COLUMBIA

Mr. MCMILLAN of South Carolina. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 4237) to amend the act entitled "An act to regulate the practice of optometry in the District of Columbia," and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the first section of the act entitled "An act to regulate the practice of optometry in the District of Columbia," approved May 28, 1924, is amended to read as follows:

"That (a) the practice of optometry in the District of Columbia is hereby declared to affect the public health and safety and to be subject to regulation and control in the public interest. Optometry is hereby declared to be a profession and it is further declared to be a matter of public interest and concern that the optometric profession merit and receive the confidence of the public and that only qualified optometrists be permitted to practice optometry in the District of Columbia. All provisions of this act relating to the practice of optometry shall be construed in accordance with this declaration of policy.

"(b) As used in this act, the term 'optometry' means the science devoted to the examination of the human eye; to the analysis of ocular functions; or to the prescribing, providing, furnishing, adapting, and employing of lenses, prisms, contact lenses, visual training orthoptics, and all preventive or corrective optometric methods for the aid, correction, or relief of the human eye; and the term 'optometrist' means a person who practices optometry, or any part thereof, as defined in this subsection."

SEC. 2. Section 2 of such act is amended to read as follows:

"SEC. 2. (a) It shall be unlawful for any person in the District of Columbia to engage in the practice of optometry or represent himself to be a practitioner of optometry, or attempt to determine by an examination of the eyes the kind of eyeglasses required by any person, or represent himself to be a licensed optometrist when not so licensed, or to represent himself as capable of examining the eyes of any person for the purposes of fitting glasses, excepting those hereinafter exempted, unless he shall have fulfilled the requirements and complied with the conditions of this act and shall have obtained a license from the District of Columbia Board of Optometry, created by this act; nor shall it be lawful for any person in the District of Columbia to represent that he is a lawful holder of a license as provided by this act when in fact he is not such lawful holder, or to impersonate any licensed practitioner of optometry, or shall fail to register the certificate as provided in section 13.

"(b) It shall be unlawful in the District of Columbia for any person to include in an advertisement offering to furnish to the public professional services relating to the examination of the human eye; or in an advertisement relating to the analysis of ocular functions; or in an advertisement relating to the prescribing, providing, furnishing, adapting, and employing of lenses, prisms, contact lenses, ocular exercises, visual training, orthoptics, and all preventive or corrective optometric methods for the aid, correction, or relief of the human eye; or in an advertisement relating to the furnishing to the public of spectacles, eyeglasses, lenses, frames, mountings, or similar prosthetic devices, whether such advertisement is made by print, radio, letter, display, or any other means: (1) the fee for such professional services, or any reference to such fee; (2) the prices of such prosthetic devices, or any reference to such prices; (3) the terms of credit or payment for such professional services or prosthetic devices, or any reference to such terms; (4) an offer of such professional services or prosthetic devices at a discount, as a gift, or free of charge, or any reference

to such an offer; or (5) a guaranty of satisfaction of such professional services or prosthetic devices, or any reference to such a guaranty, except that it shall not be unlawful for each such advertisement to contain a single statement announcing the fact that optometric services may be obtained on credit.

"(c) It shall be unlawful in the District of Columbia for any person to sell, dispense, or supply to any person an ophthalmic lens which is not of first quality, unless prior thereto such person is informed that such lens is substandard, and designate the particulars in which it is substandard. For the purpose of this subsection, a substandard lens is one which has been sold by the manufacturer as substandard, or which according to usage in the optometric profession is not of first quality.

"(d) Any person violating any of the provisions of this section shall upon conviction be fined not more than $300, or imprisoned not more than 90 days."

SEC. 3. The first sentence of section 3 of such act is amended by inserting before the word "five" the following: "the Health Officer of the District of Columbia, ex officio, and."

SEC. 4. Section 5 of such law is amended to read as follows:

"SEC. 5. The Board shall have authority (a) to prescribe minimum standards for refraction, (b) to make reasonable regulations for the proper discharge of its duties, and (c) to make reasonable regulations prohibiting advertising by means of large display, glaring light sign, or display or sign containing as a part thereof the representation of the human eye or any part thereof. Any such regulation shall, before it becomes effective, be approved by the Commissioners of the District of Columbia: *Provided*, That prior to the approval of any regulation, notice thereof shall be given by publication in two newspapers of general circulation in the District of Columbia at least 10 days prior to the date set for a hearing on such proposed regulation, and a hearing had thereon before the said Commissioners."

SEC. 5. Section 11 of such act is amended to read as follows:

"SEC. 11. Any person over the age of 21 years, of good moral character, who has had a preliminary education equivalent to a 4 years' high-school course of instruction acceptable to the Board (which shall be determined either by examination or by certificate as to work done in an approved institution), and who is a graduate of a school or college of optometry in good standing (as determined by the Board and which maintains a course in optometry of not less than 4 years), shall be entitled to take the standard examination. Such standard examination shall consist of test in—

"(a) Practical optics;

"(b) Theoretic optometry;

"(c) Anatomy and physiology and such pathology as may be applied to optometry;

"(d) Practical optometry;

"(e) Theoretic and physiologic optics;

"(f) Theory and practice of orthoptics;

"(g) Theory and practice of contact lens fitting."

SEC. 6. Section 16 of such act is amended to read as follows:

"SEC. 16. (a) The Board may, in its discretion, after a hearing as provided in section 17, refuse to grant a license to any applicant for any of the following reasons:

"(1) That the applicant has been convicted of a crime involving moral turpitude.

"(2) That the applicant is a habitual user of narcotics or any other drugs which impair the intellect and judgment to such an extent as to incapacitate the applicant for the duties of an optometrist.

"(b) The Board, may in its discretion, after a hearing as provided in section 17, cancel, revoke, or suspend the operation of any license by it granted for any of the following reasons:

"(1) That such license was procured through fraud or misrepresentation.

"(2) That the holder thereof has been a habitual user of narcotics or any other drugs which impair the intellect and judgment to such an extent as to incapacitate the holder for the duties of an optometrist.

"(3) That the holder thereof has been convicted of a crime involving moral turpitude.

"(4) That the holder thereof has been guilty of advertising professional superiority or the performance of professional services in a superior manner; advertising prices for professional services; advertising contrary to regulations prescribed by the Board of Optometry in accordance with section 5 of this act; employing or making use of solicitors or free publicity press agents, directly or indirectly, or advertising any free optometric service or free examination; or advertising to guarantee optometric services.

"(5) That the holder thereof has been guilty of practicing while his license is suspended

"(6) That the holder thereof has been convicted of an offense in violation of section 2 of this act.

"(7) That such person has been guilty of practicing optometry while suffering from an infectious or otherwise contagious disease.

"(8) That the holder thereof has been guilty of using the title 'Doctor' or 'Dr.' as a prefix to his name without using the word 'optometrist' as a suffix to his name.

"(9) That the holder thereof has been guilty of wilifully deceiving or attempting to deceive the Board or its agents with reference to any matter under investigation by the Board.

"(10) That the holder thereof has been guilty of violating the provisions of this act or aiding any person to violate this act.

"(11) That the holder thereof has been guilty of practicing in the employment of or in association with any person who is practicing in an unlawful manner as prohibited by this act, or the regulations adopted under the authority of this act."

SEC. 7. Section 17 of this act is amended to read as follows:

"SEC. 17. Any person who is the holder of a license or who is an applicant for a license against whom any charges are preferred shall be furnished by the Board with a copy of the complaint and shall have a hearing before the Board at which hearing he may be represented by counsel. At such hearing witnesses may be examined for and against the accused respecting such charges; the Board shall thereupon pass upon such charges. An appeal may be taken from the decision of the Board to the United States District Court for the District of Columbia."

SEC. 8. Section 20 of such act is amended to read as follows:

"SEC. 20. The provisions of this act, except the provisions of subsections (b), (c), and (d) of section 2, shall not apply to a person licensed to practice in the District of Columbia either as the result of having passed an examination given by the Board of Examiners established by section 12 of the act approved February 27, 1929, as amended, or who, by reason of reciprocity, previous practice, or a diploma issued by a national examining board, is licensed as though he had passed such examination."

SEC. 8. This act is further amended by adding a new section to follow section 22 to read as follows:

"SEC. 23. Nothing contained in this act, as amended, shall be construed as prohibiting—

"(a) a nurse or technician from functioning under the immediate supervision and direction of a physician licensed to practice medicine in the District of Columbia;

"(b) a person from dispensing, providing, or furnishing ophthalmic materials on prescription of a physician or optometrist, or repairing, replacing, or duplicating ophthalmic materials or devices;

"(c) a person from selling spectacles or eyeglasses: *Provided*, That such person does not attempt either directly or indirectly to adapt them to the human eye, or does not otherwise attempt to engage in the practice of optometry."

With the following committee amendment:

Page 9, line 24, strike out the word "medicine."

The committee amendment was agreed to.

Mr. MCMILLAN of South Carolina. Mr. Speaker, I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. MCMILLAN of South Carolina: On page 9, line 18, strike out the figure "8" and insert the figure "9."

The committee amendment was agreed to.

Mr. MCMILLAN of South Carolina. Mr. Speaker, I offer a further amendment.

The Clerk read as follows:

Amendment offered by Mr. MCMILLAN of South Carolina: On page 9, line 24, at the end of the line insert the following: "*Provided*, That in such functioning the nurse or technician does not engage directly or indirectly in the practice of optometry as defined in this act or any part thereof."

Mr. MCMILLAN of South Carolina. Mr. Speaker, H. R. 4237, to amend the law regulating the practice of the profession of optometry in the District of Columbia is a rewrite of bills introduced in this Congress by the gentleman from Nebraska, Dr. MILLER, and myself.

There have been several compromises worked out and one of these provided for the inclusion of a new section in the law to be known as section 23.

Its purpose was to assure physicians who were practicing ethically that they would not be interfered with in availing themselves of the services of nurses and technicians in their own offices. It was not the intention of the District Committee that this new section should open the door either to production-line methods or to permit lay persons to practice optometry, either directly or indirectly.

The amendment was agreed to.

Mr. MCMILLAN of South Carolina. Mr. Speaker, this bill amends the optometry law; it declares optometry to be a profession and establishes certain standards. It would prohibit certain advertising stating a fee or price of prosthetic devices, credit, gifts, guaranty of services or devices. This is a compromise bill and has resulted from hearings in the House District of Columbia Committee and those held recently by the Commissioners.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INCREASING COMPENSATION OF CERTAIN EMPLOYEES OF THE MUNICIPAL GOVERNMENT OF THE DISTRICT OF COLUMBIA

Mr. MCMILLAN of South Carolina. Mr. Speaker, I yield to the gentleman from Georgia, chairman of the Firemen

and Policemen Subcommittee of the District of Columbia.

Mr. DAVIS of Georgia. Mr. Speaker, I call up the bill (H. R. 3088) to increase the compensation of certain employees of the municipal government of the District of Columbia, and for other purposes, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the annual basic salary of each officer and member of the Metropolitan Police, the United States Park Police, the White House Police, and of the Fire Department of the District of Columbia, as increased by the act entitled "An act to provide for an adjustment of salaries of the Metropolitan Police, the United States Park Police, the White House Police, and the members of the Fire Department of the District of Columbia," approved July 14, 1945, as amended, shall be further increased by $330, plus 8 percent of such $330 as additional compensation in lieu of overtime pay and night pay differential: *Provided, however*, That no such officer or member shall, by reason of the enactment of this act, be paid with respect to any pay period, basic salary, or basic salary plus additional compensation, at a rate in excess of $10,330 per annum. This section shall take effect as of the first day of the first pay period which began after June 30, 1948.

SEC. 2. The first section of the act entitled "An act to fix the salaries of officers and members of the Metropolitan Police Force and the Fire Department of the District of Columbia," approved July 1, 1930 (D. C. Code, title 4, sec. 108), is amended by inserting after the phrase "sergeants, $2,750 each;" the following: "corporals, $2,600 each." This section shall take effect as of July 1, 1945.

SEC. 3. (a) Each employee of the Board of Education of the District of Columbia whose salary is fixed and regulated by the District of Columbia Teachers' Salary Act of 1947, except the Superintendent of Schools, shall receive, in addition to the compensation already provided by such act, compensation at the rate of $330 per annum.

(b) The basic and maximum salaries for all salary classes in title I of the District of Columbia Teachers' Salary Act of 1947, except class 29, are hereby increased $330, respectively.

(c) This section shall take effect as of the first day of the first pay period which began after June 30, 1948.

SEC. 4. No additional compensation shall be payable by reason of the enactment of this act for any period prior to the date of enactment hereof in the case of any person who is not an employee in or under the municipal government of the District of Columbia on such date of enactment.

SEC. 5. The additional compensation granted by this act shall not be due or payable, and no action may be maintained for the recovery thereof, until Congress shall have enacted legislation to provide additional revenues for the District of Columbia to meet the estimated obligations of the District, including such additional compensation.

Mr. DAVIS of Georgia. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DAVIS of Georgia: Insert on page 3 following line 2, a new section 4 to read as follows:

"SEC. 4. Authority is hereby granted to the Commissioners and to other wage-fixing authorities of the municipal government of the District of Columbia, in their discretion, to grant, retroactive to the first day of the first pay period which began after January 30, 1949 additional compensation at rates not to exceed $330 per annum to each employee in or under the municipal government of the District of Columbia whose compensation is fixed and adjusted from time to time by a wage board, or whose compensation is fixed without reference to the Classification Act of 1923, as amended, or whose compensation is limited or fixed specifically by the provisions of the District of Columbia Appropriation Act, 1949: *Provided*, That the authority granted by this section shall expire 90 days after the enactment of this act."

Mr. O'HARA of Minnesota. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, may I ask my distinguished colleague from Georgia if this amendment is one which has been agreed upon in the subcommittee which held hearings upon this bill, and whether these amendments were offered to the District Committee at the time this bill was considered?

Mr. DAVIS of Georgia. I may say to the gentleman from Minnesota that these amendments were considered and discussed. They were drawn by the corporation counsel. There has been no objection whatever. I may say that for all practical purposes they are committee amendments.

Mr. O'HARA of Minnesota. I know, but were they considered by the committee at the time this bill was before the committee?

Mr. DAVIS of Georgia. The provisions which are contained in this amendment and two others which I shall offer were discussed, and it was understood that the bill would have to be amended as these amendments now propose when it came up for final passage. I may say that the amendment to section 4 gives the Commissioners of the District of Columbia the authority to pay the per diem employees back to June 30, 1948; and, under existing law, the Commissioners of the District have the authority to increase the rates of pay for their per diem employees but do not have authority to pay back increases to such class of employees without this specific legislation.

Mr. O'HARA of Minnesota. And that amendment is consistent with the understanding that the gentleman had with the subcommittee and the full committee?

Mr. DAVIS of Georgia. Yes.

The amendment was agreed to.

Mr. DAVIS of Georgia. Mr. Speaker, I offer a further amendment.

The Clerk read as follows:

Amendment offered by Mr. DAVIS of Georgia:

Amend section 4 as follows: (a) renumber said section as section 5; and (b) add at the end of such section the following:

"No person whose salary or compensation is increased by this act shall be entitled to additional compensation for overtime, night, or holiday work, as provided in sections 201, 203, 301, and 302 of the Federal Employees' Pay Act of 1945, as amended, or as provided in section 23 of the act approved March 28, 1934, as amended (Sec. 673c, United States Code), based on the additional compensation provided by this act for any pay period ending prior to the date of enactment of this act except that such additional compensation shall be paid a retired employee for services rendered between the first day of the first pay period which began after June 30, 1948, and the date of his retirement."

Strike section 5 in its entirety.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DEFICIENCY APPROPRIATION BILL

Mr. KERR. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4046) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. CANNON, KERR, RABAUT, TABER, and ENGEL of Michigan.

UNITED STATES PARK POLICE

Mr. McMILLAN of South Carolina. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 4408) to amend the act, approved May 27, 1924, entitled "An act to fix the salaries of officers and members of the Metropolitan Police force, United States Park Police force, and the Fire Department of the District of Columbia," so as to grant rights to members of the United States Park Police force commensurate with the rights granted to members of Metropolitan Police force as to time off from duty, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 5 of the act of May 27, 1924 (43 Stat. 174), is hereby amended by adding, at the end of such section, a new paragraph, as follows: "That in lieu of Sunday there shall be granted to members of the United States Park Police force 1 day off out of each week of 7 days, which shall be in addition to their annual leave and sick leave: *Provided, however*, That whenever the Secretary of the Interior declares that an emergency exists of such a character as to require the continuous service of all the members of the United States Park Police force, the Superintendent of National Capitals Parks shall have authority, and it shall be his duty, to suspend and discontinue the granting of said 1 day in seven during the continuation of such emergency."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PENSIONS FOR WIDOWS AND CHILDREN OF DECEASED AND RETIRED POLICE AND FIREMEN OF THE DISTRICT OF COLUMBIA

Mr. McMILLAN of South Carolina. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 2021) to provide increased pensions for widows and children of deceased members and retired members of the Police Department and the Fire Department of the District of Columbia, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That so much of the fourth paragraph of section 12 of the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1917, and for other purposes," approved September 1, 1916 (39 Stat. 718), as amended, as follows the first sentence thereof is hereby amended to read as follows:

"In case of the death of any member of the Police Department or the Fire Department of the District of Columbia, before or after retirement from the service thereof, leaving a widow, or a child or children under 18 years of age, the widow shall be entitled to receive relief from the said policemen and firemen's relief fund, District of Columbia, in an amount not to exceed $125 per month, and each child under the age of 18 years in an amount not exceeding $25 per month: *Provided*, That such payments or any right thereto shall cease upon death or remarriage of the widow: *Provided further*, That any benefits to a child or children shall cease upon (1) attaining the age of 18 years, (2) marriage, or (3) death: *And provided further*, That no widow, child or children of any deceased member of the said Police Department or Fire Department resulting from any marriage contracted subsequent to the date of retirement of such member shall be entitled to any relief under the provisions of this act."

SEC. 2. All widows and children of deceased members of the Police Department or of the Fire Department of the District of Columbia receiving relief under the provisions of section 12 of the act of Congress, approved September 1, 1916 (39 Stat. 718), as amended, shall be entitled to receive relief to the same extent and in the same manner as is provided by the fourth paragraph of said section as amended by the first section of this act: *Provided*, That no relief shall be increased or allowed under the authority of this section for any period prior to the effective date of this act: *Provided further*, That any child or children who had attained the age of 16 years and whose benefits were terminated shall be entitled to receive relief as provided by the fourth paragraph of said section 12, as amended by the first section of this act, until the attainment of 18 years of age.

SEC. 3. Section 5 of the act entitled "An act to fix the salaries of officers and members of the Metropolitan Police Force and the Fire Department of the District of Columbia," approved July 1, 1930 (39 Stat. 839), be, and the same hereby is, amended by striking out therefrom the figures "3½" and substituting in lieu thereof the figure "5."

SEC. 4. This act shall take effect on the first day of the second month following the date of approval of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SALARIES OF TEACHERS, SCHOOL OFFICERS, AND OTHER EMPLOYEES OF BOARD OF EDUCATION OF THE DISTRICT OF COLUMBIA

Mr. McMILLAN of South Carolina. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 2437) to amend the act entitled "An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, and for other purposes," and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

Mr. MANSFIELD. Mr. Speaker, reserving the right to object, may I get some information on this bill? Is this a salary increase bill which will be retroactive to July 1?

Mr. McMILLAN of South Carolina. No, this has reference to jurisdiction and the number of rooms involved. The effect is to provide that elementary school principalships be determined by the number of teachers and pupils supervised rather than by the number of rooms under the jurisdiction of the principal.

Mr. MANSFIELD. Is the teachers' pay increase bill coming up today?

Mr. McMILLAN of South Carolina. Yes.

Mr. MANSFIELD. What is its number?

Mr. McMILLAN of South Carolina. It has already been passed.

Mr. MANSFIELD. The teachers' pay increase?

Mr. McMILLAN of South Carolina. Yes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That article II of title I of the act entitled "An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, and for other purposes," approved July 7, 1947, be and the same hereby is amended by striking out the following words and figures:

"CLASS 13—PRINCIPALS IN ELEMENTARY SCHOOLS WITH SIXTEEN OR MORE ROOMS, AND PRINCIPALS IN AMERICANIZATION SCHOOLS

"A basic salary of $4,300 per year, with an annual increase in salary of $100 for 10 years, or until a maximum salary of $5,300 per year is reached."

and inserting in lieu thereof the following:

"CLASS 13—PRINCIPALS IN ELEMENTARY SCHOOLS AND PRINCIPALS IN AMERICANIZATION SCHOOLS

"A basic salary of $4,300 per year, with an annual increase in salary of $100 for 10 years, or until a maximum salary of $5,300 per year is reached."

SEC. 2. Paragraph (ap) of section 6 of title III of said act is hereby amended by inserting the following at the end of said paragraph: "No longevity increases for placement as provided in this paragraph shall be granted to any probationary or temporary teacher, librarian, research assistant, counselor, or instructor in the teachers colleges appointed after June 30, 1949, to group C in salary classes 1 to 8, inclusive, in article I of title I, unless credit for such increases is based upon approved teaching or other service rendered after the master's degree had been conferred upon the appointee: *Provided*, That this limitation on placement credit shall not apply to appointments made from current eligible lists effective on July 1, 1949."

SEC. 3. Section 6 of title III of said act is further amended by inserting at the end thereof a new paragraph to be lettered "(ar)" and to read as follows: "Every permanent and probationary teacher, librarian, research assistant, counselor, and instructor in the teachers colleges in the employ of the Board of Education on June 30, 1947, who either possessed a master's degree on June 30, 1947, or shall have received a master's degree during the fiscal year ending June 30, 1948, and whose salary during the fiscal year ending June 30, 1948, was less than $3,500, shall be entitled to receive in lieu thereof a salary of $3,000 per annum plus longevity increases for placement in group C in salary classes 1 to 8, inclusive, in article I of title I, of $100 for each year of like service in the public schools of the District of Columbia acceptable to and approved by the Board of Education, including military leave and educational leave with part pay, subsequent to probationary appointment and prior to July 1, 1947, but for not more than the fifth year of such service, to be effective as of July 1, 1947, or on the first of the month immediately following the date on which the master's degree was conferred, whichever is later, and shall be entitled to receive annual increases thereafter in accordance with the provisions of sections 5 and 7 of this act. The provisions of this paragraph shall not operate to reduce the amount of annual compensation of any teacher, librarian, research assistant, counsel, or instructor in the teachers colleges, below the amount of annual compensation received by him during the fiscal year ending June 30, 1948."

SEC. 4. (a) Paragraph (b) of section 21 of title V of said act is hereby amended to read as follows: "After the effective date of this act, the act entitled 'An act for the retirement of the public-school teachers in the District of Columbia', approved August 7, 1946, shall apply to permanent employees of the Board of Education whose salaries are fixed by this act, and all references in said act to the District of Columbia Teachers' Salary Act of 1945, as amended, shall be interpreted to apply to this act. Nothing in this subsection shall require the recomputation of the annuity of any person retired under the act of August 7, 1946, prior to the effective date of this act, or of any person retired prior to the effective date of the act of August 7, 1946, whose annuity is computed in accordance with the provisions of that act."

(b) This section shall be effective as of July 1, 1947.

SEC. 5. This act except as otherwise provided herein shall become effective on July 1, 1948.

Mr. McMILLAN of South Carolina. Mr. Speaker, the purpose of this bill is to correct certain inequities now existing with respect to salary schedules for teachers in the District of Columbia. This bill is identical to the bill which passed the House and one which passed the Senate in the Eightieth Congress, but through an error neither House accepted the other's bill.

It provides a salary schedule without changing the amounts of salaries paid principals in elementary schools and de-

termines elementary principalship by number of teachers the principals supervise, rather than by the number of rooms under jurisdiction of principal.

Section 2 provides that placement credit for salary purposes in a specified group shall not be granted new teachers unless approved teaching service is rendered after attainment of master's degree.

Section 3 provides for granting of placement credit for salary purposes in public schools for those with master's degree who received a salary less than $3,500 during the present fiscal year.

Section 4 corrects an oversight in the 1947 salary act by making the teachers retirement act applicable to all permanent employees of the board of education.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CUMULATIVE SICK AND EMERGENCY LEAVE FOR TEACHERS AND ATTENDANCE OFFICERS IN THE EMPLOY OF THE BOARD OF EDUCATION OF THE DISTRICT OF COLUMBIA

Mr. McMILLAN of South Carolina. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 4381) to provide cumulative sick and emergency leave with pay for teachers and attendance officers in the employ of the Board of Education of the District of Columbia, and for other purposes, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That all teachers and attendance officers in the employ of the Board of Education of the District of Columbia shall be entitled to cumulative leave with pay for personal illness, presence of contagious disease or death in the home, or pressing emergency, in accordance with such rules and regulations as the said Board of Education may prescribe. Such cumulative leave with pay shall be granted at the rate of 1 day for each month from September through June of each year, both inclusive. The total cumulation shall not exceed 60 days for probationary and permanent teachers and attendance officers, and the total cumulation shall not exceed 10 days for temporary teachers and attendance officers.

SEC. 2. In addition to the cumulative leave provided by the first section of this act, each probationary and permanent teacher shall be credited on July 1, 1949, with 1 day of leave with pay for each complete year of service in the public schools of the District of Columbia prior to July 1, 1949: *Provided*, That the total amount to be credited under the provisions of this section shall not exceed 20 days and shall be granted for the same purposes as leave with pay is provided in the first section of this act. Attendance officers shall be credited on July 1, 1949, with all cumulative leave with pay to which they are entitled on June 30, 1949, under the provisions of section 18 of the District of Columbia Teachers' Salary Act of 1947. The total cumulation of leave with pay allowable under this act and the District of Columbia Teachers' Salary Act of 1947 shall not exceed 60 days, and no attendance officer shall be entitled to annual or sick leave with pay under the provisions of any other act.

SEC. 3. Probationary and permanent teachers and attendance officers shall be entitled to use all leave to their credit when they are granted maternity leave by the Board of Education.

SEC. 4. In cases of serious disability or ailments, and when required by the exigencies of the situation, and in accordance with such rules and regulations as the Board of Education may prescribe, the superintendent of schools may advance additional leave with pay not to exceed 20 days to every probationary or permanent teacher or attendance officer who may apply for such advanced leave.

SEC. 5. In the event of separation from the service of any teacher or attendance officer who is indebted for unearned advanced leave, such teacher or attendance officer shall refund the amount of pay received for the period of such excess. If such teacher or attendance officer fails to make such refund, deductions therefor shall be made from any salary due him or from any amount standing to his credit under the provisions of the act entitled "An act for the retirement of public-school teachers in the District of Columbia," approved August 7, 1946. The provisions of this section shall not apply in cases of death, retirement for disability, or in the event that the teacher or attendance officer to whom leave with pay has been advanced is unable to return to duty because of disability.

SEC. 6. The Board of Education is hereby authorized to employ substitute teachers and attendance officers for service during the absence of any teacher or attendance officer on leave with pay and to fix the rate of compensation to be paid such substitutes.

SEC. 7. The Board of Education is hereby authorized to prescribe such rules and regulations as it may deem necessary to carry this act into effect. The term "teacher" used in this act shall include all employees whose salaries are fixed by article I of title I of the District of Columbia Teachers' Salary Act of 1947. The term "attendance officers" shall include all employees whose salaries are fixed by class 32 in article II of title I of the District of Columbia Teachers' Salary Act of 1947.

SEC. 8. There is authorized to be appropriated, out of any moneys in the Treasury of the United States to the credit of the District of Columbia not otherwise appropriated, such sums as may be necessary to carry out the purposes of this act, and any appropriations for the public schools of the District of Columbia for personal services are hereby made available for the payment of the substitutes provided for in section 6 of this act.

SEC. 9. The following parts of acts are hereby repealed:

(a) So much of section 14 of the act entitled "An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, and for other purposes," approved July 7, 1947, as reads: "The said Board shall prescribe the amount to be deducted from the salary of any absent teacher for whom an annual substitute may perform service";

(b) Section 18 of the act entitled "An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, and for other purposes," approved July 7, 1947; and

(c) So much of the first section of the act entitled "An act making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1912, and for other purposes," approved March 4, 1911 (36 Stat. 1395), under the subheading "District of Columbia," as reads: "*Provided*, That leave of absence of any regularly employed teacher shall not exceed 30 calendar days in any one school year, and for this period such teacher who may be absent shall be paid, in case the absence is due to personal illness, death in family, or quarantine on account of contagious disease, the salary of the position, less the amount paid to the substitute teacher, and any absence in excess of said 30 days or absence for cause other than herein specified shall be without compensation: *Provided further*, That all other employees of the Board of Education may, in the discretion of said Board, be granted not exceeding 30 days' leave of absence with pay in any one calendar year, and in the event of the absence of any janitor, assistant janitor, engineer, assistant engineer, or caretaker, at any time during school sessions the Board of Education is hereby authorized to appoint a substitute, who shall be paid the salary of the position in which employed, and the amount paid to such substitute shall be deducted from the salary of the absent employee."

SEC. 10. This act may be cited as "District of Columbia Teachers' Leave Act of 1949."

SEC. 11. This act shall become effective July 1, 1949.

Mr. McMILLAN of South Carolina. Mr. Speaker, the purpose of this proposed legislation is to give teachers in the public schools paid sick leave. It provides for granting 1 day's leave for each month through the school year and permits the accumulation of 60 days. Temporary teachers may accumulate 10 days' sick leave.

There is also a provision that additional leave shall be credited to each teacher at the rate of 1 day for each complete year of service rendered prior to July 1, 1949, but this shall not be in excess of 20 days. All leave would be granted in accordance with rules and regulations of the board of education. Provision is made for maternity leave and for that advancement of unearned leave when necessary. This closely follows the leave provisions for classified employees in the District.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONSTRUCTIVE SERVICE BY PUBLICATION IN ANNULMENT

Mr. McMILLAN of South Carolina. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (S. 1134) to amend section 13–108 of the Code of the District of Columbia, to provide for constructive service by publication in annulment actions, and ask for its immediate consideration.

The Clerk read the title of the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the first paragraph of section 105 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901 (31 Stat. 1206, ch. 854), as amended (sec. 13–108, D. of C. Code, 1940 ed.), is amended to read as follows:

"Publication may be substituted for personal service of process upon any defendant who cannot be found and who is shown by affidavit to be a nonresident, or to have been absent from the District for at least 6

months, or against the unknown heirs or devisees of deceased persons, in suits for partition, divorce, annulment, by attachment, foreclosure of mortgages and deeds of trust, the establishment of title to real estate by possession, the enforcement of mechanics' liens, and all other liens against real or personal property within the District, and in all actions at law and in equity which have for their immediate object the enforcement or establishment of any lawful right, claim, or demand to or against any real or personal property within the jurisdiction of the court."

Mr. MCMILLAN of South Carolina. Mr. Speaker, the purpose of this bill is to add annulment actions to those where it is now provided that substituted service may be had by publication in lieu of personal service when the defendant cannot be found, and it is shown by affidavit to be a nonresident or to have been absent from the District of Columbia for at least 6 months.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CODE OF LAW FOR DISTRICT OF COLUMBIA

Mr. MCMILLAN of South Carolina. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (S. 1127) to amend sections 130 and 131 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, relating to the notice to be given upon a petition for probate of a will, and to the probate of such will, and ask for its immediate consideration.

The Clerk read the title of the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the first paragraph of section 130 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as amended by the act approved June 30, 1902 (title 19, sec. 301, D. C. Code, 1940), is amended to read as follows:

"SEC. 130. Notice of petition for probate: Upon the filing of a petition for probate of a will, notice, as hereinafter provided, shall be issued to all persons who would be entitled to or interested in the estate of the testator in case such will had not been executed to appear in said court on a date named in the notice, and to show cause why the prayer of the petition should not be granted.

"(a) Such notice may be by a citation in which the return date named is not earlier than 10 days after the filing of said petition, and which citation shall be served in the District of Columbia, by the United States marshal, or deputy marshal, not less than 5 days before the return day named in said citation.

"(b) Such notice may be a citation in which the return date named is not earlier than 20 days after the filing of said petition, and which citation shall be served not less than 10 days before the return date named in said citation: *Provided*, That such citation may be served only on nonresidents of the District of Columbia, and upon residents of said District who have been returned 'Not to be found' under paragraph (a) of this section, and such service may be made only by a person not less than 18 years of age who is not a party to or otherwise interested in the estate of the decedent, and the return in such case must be made under oath in the District of Columbia, unless the person making the service be a sheriff or deputy sheriff, a marshal or deputy marshal, authorized to serve process where service is made, and such return must show the time and place of service.

"(c) Such notice, whenever there is proof by the petition for probate or by other affidavit that any or all of such persons, interested as aforesaid, are nonresidents of the District of Columbia, or whenever they or any of them have been returned 'Not to be found' under paragraph (a) of this section, may be by a publication in which the return date named is not less than 30 days after the date of the first appearance of the publication, and which shall be published once in each of three successive weeks in some newspaper of general circulation in the District of Columbia, and a copy of this published notice shall be mailed to the last-known address of each of the persons, interested as aforesaid, who is not shown to have been returned served personally under either paragraph (a) or paragraph (b) of this section. The court may by general rule prescribe the form of such notice by publication, and may order such other publication as the case may require."

SEC. 2. Section 131 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901 (title 19, sec. 305, D. C. Code, 1940), is amended to read as follows:

"SEC. 131. Probate: When notice as prescribed in section 130 has been completed in any case, the court shall proceed, if no caveat be filed, to take the proofs, or to consider the proofs theretofore taken, of the execution of the will. All the witnesses to such will who are within the District and competent to testify must be produced and examined, or the absence of any of them satisfactorily accounted for."

Mr. MCMILLAN of South Carolina. Mr. Speaker, this bill would change the method of giving notice on a petition for probate of a will. Presently it is by letter to the last address and by publication. This authorizes notice by the marshal or deputy marshal. It would also restrict the service to those over 18 years of age and provides that return be made under oath showing time and place of service. This act follows rule 45c of the Federal Rules of Civil Procedure.

The bill was ordered read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CODE OF LAW FOR DISTRICT OF COLUMBIA

Mr. MCMILLAN of South Carolina. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 3368) to amend sections 356 and 365 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, to increase the maximum sum allowable by the court out of the assets of a decedent's estate as a preferred charge for his or her funeral expenses from $600 to $1,000, and ask for its immediate consideration.

The Clerk read the title of the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 356 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901 (title 18, sec. 520, D. C. Code, 1940, line 4), is amended by striking out the words "six hundred" and inserting in lieu thereof the words "one thousand."

SEC. 2. Section 365 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as amended by the act approved June 30, 1902 (title 20, sec. 605, D. C. Code, 1940, line 5), is amended by striking out the words *"Provided*, That for special cause shown the court may make such additional allowance not exceeding $300 as such special circumstances may warrant," and inserting in lieu thereof the words: *"Provided*, That for special cause shown the court may make such additional allowance not exceeding $700 as such special circumstances may warrant."

Mr. MCMILLAN of South Carolina. Mr. Speaker, the purpose of this bill is to increase the maximum sum allowable by the court out of the assets of a decedent's estate as a preferred charge for his funeral expenses from $600 to $1,000.

The register of wills would continue under his general powers, to approve funeral bills up to $300 and the limit which might be approved by the court as a preferred charge would be increased by striking "six hundred" and substituting "one thousand" and by striking "three hundred" and substituting "$700."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SECTION 16–415 OF CODE OF LAWS OF DISTRICT OF COLUMBIA

Mr. MCMILLAN of South Carolina. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (S. 1125) to amend section 16–415 of the Code of Laws of the District of Columbia, to provide for the enforcement of court orders for the payment of temporary and permanent maintenance in the same manner as directed to enforce orders for permanent alimony, and ask for its immediate consideration.

The Clerk read the title of the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That that act of March 3, 1901 (31 Stat. 1346, ch. 854, sec. 980), otherwise known as section 16–415 of the Code of Laws of the District of Columbia, 1940 edition, is amended to read as follows:

"Whenever any husband shall fail, or refuse to maintain his wife and minor children, if any, although able so to do, the court, on application of the wife, pendente lite and permanently, may decree that he shall pay her, periodically, such sums as would be allowed to her as pendente lite or permanent alimony in case of divorce for the maintenance of herself and the minor children, if any, committed to her care by the court, and the payment thereof may be enforced in the same manner as directed in regard to the payment of permanent alimony."

Mr. MCMILLAN of South Carolina. Mr. Speaker, this bill would amend the present law to provide for enforcement of court orders and the payment of temporary and permanent maintenance in the same manner as the present law provides for enforcing orders for permanent alimony. That is, it would permit a wife with minor children to apply to the court for maintenance, pleading nonsupport by a husband and father financially able to furnish support. The court could during the time the suit is pending establish the sum to be paid. Provision is made for enforcement as in the manner of permanent alimony.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING SECTION 16–416 OF THE CODE OF LAWS OF THE DISTRICT OF COLUMBIA

Mr. McMILLAN of South Carolina. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (S. 1129) to amend section 16–416 of the Code of Laws of the District of Columbia to conform to the nomenclature and practice prescribed by the Federal Rules of Civil Procedure, and ask for its immediate consideration.

The Clerk read the title of the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the acts of March 3, 1901 (31 Stat. 1345, ch. 854, sec. 963), and of June 30, 1902 (32 Stat. 537, ch. 1329), otherwise known as section 16–416 of the Code of Laws of the District of Columbia, 1940 edition, are amended to read as follows:

"All applications for divorce or for a decree annulling a marriage shall be made by complaint to the United States District Court for the District of Columbia, and the proceedings thereupon shall be the same as in equity causes, except so far as otherwise herein provided."

Mr. McMILLAN of South Carolina. Mr. Speaker, the purpose of this bill is one of clarification. It would change the name of a bill for petition to complaint so that it would conform to the nomenclature and practice prescribed by the Federal rules of civil procedure.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING CERTAIN SECTIONS OF DISTRICT OF COLUMBIA CODE

Mr. McMILLAN of South Carolina. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (S. 1131) to amend sections 260, 267, 309, 315, 348, 350, and 361 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, to provide that estates of decedents being administered within the probate court may be settled at the election of the personal representative of the decedent in that court 6 months after his qualification as such personal representative and ask for its immediate consideration.

The Clerk read the title of the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 260 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as amended by the act approved June 30, 1902 (title 18, sec. 501, D. C. Code, 1940, line 11), is amended by striking out therefrom the words "one year" and inserting in lieu thereof the words "six months."

SEC. 2. Section 267 of said act approved March 3, 1901 (title 20, sec. 306, D. C. Code, 1940, lines 6 and 9), is amended by striking out the word "twenty" and inserting in lieu thereof the word "five" and by striking out the words "within thirty days after the first publication" and inserting in lieu thereof the words "within ten days after publication."

SEC. 3. Section 309 of said act approved March 3, 1901 (title 18, sec. 401, D. C. Code, 1940, line 2), is amended by striking out the words "three months" and inserting in lieu thereof the words "two months."

SEC. 4. Section 315 of said act approved March 3, 1901 (title 18, sec. 407, D. C. Code, 1940, line 3), is amended by striking out the words "three months" and inserting in lieu thereof the words "two months."

SEC. 5. Section 348 of said act approved March 3, 1901 (title 18, sec. 518, D. C. Code, 1940, lines 9, 15, and 19), is amended by striking out the words "nine months" where they appear three times in said section and inserting each time in lieu thereof the words "three months."

SEC. 6. Section 350 of said act approved March 3, 1901 (title 18, sec. 526, D. C. Code, 1940, lines 2 and 6), is amended by striking out the words "one year" and inserting in lieu thereof the words "six months" and by striking out the words "at least six months" and inserting in lieu thereof the words "at least three months."

SEC. 7. Section 361 of said act approved March 3, 1901 (title 20, sec. 601, D. C. Code, 1940), is amended by striking the period at the end of said section and inserting in lieu thereof a colon and the following words: "*Provided*, That said account may be rendered six months from the date of his letters."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TIME WITHIN WHICH A CAVEAT MAY BE FILED

Mr. McMILLAN of South Carolina. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (S. 1132) to amend section 137 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, relating to the time within which a caveat may be filed to a will after the will has been probated, and ask for its immediate consideration.

The Clerk read the title of the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 137 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901 (title 19, sec. 309, D. C. Code, 1940), is amended to read as follows:

"SEC. 137. Caveat. If, upon the hearing of the application to admit a will to probate, the court shall decree that the same be admitted to probate, any person in interest may file a caveat to said will and pray that the probate thereof may be revoked at any time within 1 year after such decree."

Mr. McMILLAN of South Carolina. Mr. Speaker, this bill relates to a period of limitation for filing a caveat of a will. It has three purposes, namely, to provide certainty as to the time for post-probate caveats: secondly, to provide a uniform time for such caveats, whether the will be one of personality, or of realty, or of both; and thirdly, to fix the time for such caveats.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING SECTION 16–418 OF THE CODE OF THE DISTRICT OF COLUMBIA

Mr. McMILLAN of South Carolina. Mr. Speaker, I call up the bill (S. 1133) to amend section 16–418 of the Code of Laws of the District of Columbia, to provide that an attorney be appointed by the court to defend all uncontested annulment cases, and ask unanimous consent that the bill be considered in the House as in the Committee of the Whole.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the act of March 3, 1901 (31 Stat. 1347, ch. 854, sec. 982), otherwise known as section 16–418 of the Code of Laws of the District of Columbia, 1940 edition, is amended to read as follows:

"In all uncontested divorce or annulment cases, and in any other divorce or annulment case where the court may deem it necessary or proper, a disinterested attorney shall be assigned by the court to enter his appearance for the defendant and actively defend the cause, and such attorney shall receive such compensation for his services as the court may determine to be proper, such compensation to be paid by the parties as the court may direct."

Mr. McMILLAN of South Carolina. Mr. Speaker, the purpose of this bill is to provide for the assignment by the court of a disinterested attorney to safeguard the interests of the public and to make an impartial investigation in behalf of the court in uncontested annulment cases as is now true in the practice concerning uncontested divorce cases.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SETTLEMENT OF SMALL ESTATES

Mr. McMILLAN of South Carolina. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (S. 1135) to amend the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, to provide a family allowance and a simplified procedure in the settlement of small estates, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

Mr. NICHOLSON. Reserving the right to object, Mr. Speaker, may I ask what this bill does?

Mr. McMILLAN of South Carolina. Mr. Speaker, I yield to the chairman of the Subcommittee on the Judiciary, the gentleman from Arkansas [Mr. HARRIS] to explain the bill.

Mr. HARRIS. All it does, Mr. Speaker, is to simplify the administration of an estate to make it easier for the families in the case of small estates to receive funds out of the estate in order to take care of their families, in such instances as the court may deem desirable and necessary.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as amended, is amended by adding to

chapter 5 thereof a new subchapter 9 to read as follows:

"FAMILY ALLOWANCE AND ADMINISTRATION OF SMALL ESTATES

"SEC. 394. (a) Upon the death of any person leaving a surviving spouse the said surviving spouse shall be entitled to an allowance out of the personal estate of said decedent of the sum of $500 for his or her use, and that of any minor children, to be paid in money or in specific property at its fair value as may be elected, and which allowance shall be exempt from any and all debts and obligations of the decedent, and subject only to payment of funeral expenses not exceeding $200; and, if there be no surviving spouse, the surviving minor children if any there be shall be entitled to a like allowance, and which shall be payable, in the discretion of the probate court, to the person having their custody or to such other person as it shall designate, and shall be used by such person solely for said minor's care and maintenance. Said family allowance shall be in addition to the respective share or shares of the surviving spouse and children.

"(b) When any person dies, leaving a small estate consisting only of personal property of a value not in excess of $500, and there be a surviving spouse or minor children entitled to the family allowance authorized in the preceding section, if such surviving spouse or minor children (acting through the person having their custody or a next friend) file in the probate court a petition, under oath, declaring: The time and place of decedent's death; the known next of kin; the known assets and by whom held; that petitioner has made a diligent search to discover all assets of the deceased; the amount of funeral expenses and to whom due; and that said assets do not exceed $500 in value; the probate court, if satisfied that the allegations in the petition are true, shall pass a final order (1) declaring that no formal administration is necessary and no probate is required of any will; (2) fixing the amount of funeral expenses allowable, to whom due, and out of what property to be paid; (3) vesting title to the remainder of the property in the surviving spouse or minor children, as the case may be, in satisfaction of his, her, or their family allowance; and (4) directing the person or persons having possession of said property to pay over, transfer, and deliver the same as allotted. The probate court may also authorize in said order, or by further order, the sale of any of said property as the exigencies of the situation require.

"(c) (1) When anyone dies intestate, leaving a small estate consisting only of personal property of a value not in excess of $500, and there be no spouse or minor children surviving, if the person entitled to be preferred in the appointment of an administrator files in the probate court a petition, under oath, declaring: The time and place of decedent's death; the known next of kin; that diligent search has been made for a will; the known creditors, together with the amount of each claim, including contingent and disputed claims; and funeral expenses; the known assets and by whom held; that petitioner has made a diligent search to discover all assets and debts of the deceased; that said assets do not exceed $500 in value; and that there are no known legal proceedings pending in which the decedent is a party; the probate court, if satisfied that the allegations in said petition are true, shall pass a preliminary order declaring that no formal administration is necessary and instructing the petitioner to publish once in substantially the usual form notice to creditors to exhibit their claims duly authenticated, within 30 days after such notice, and which notice shall be inserted in one newspaper of general circulation in the District of Columbia as said court shall direct.

"(2) Whenever such a preliminary order has been passed and the notice has been published and the time provided in such notice has expired, the petitioner shall file, under oath, a statement, with the usual proof of publication attached, that the notice has been published, and that the said time has expired, and listing all then known creditors, including contingent and disputed claims, and the amount of each claim. If satisfied that said statement is true, and after hearing and disposing of any objections filed in the probate court by anyone interested in the estate, the probate court shall pass a final order (1) directing the petitioner to pay from the estate all of said claims, in the order of priority provided by law, and (2) authorizing any person having possession of any property of the decedent's estate to transfer, pay over, and deliver the same in accordance with petitioner's directions, and (3) decreeing that, after the Register of Wills certifies upon said final order that he has seen the vouchers for the payment of said claims and is satisfied that said claims, as well as the fees hereinafter provided for, have been paid, then the remaining balance of the estate, if any, shall be vested as follows: First, in the adult surviving children equally, and, secondly, if there be no adult surviving children, then in those persons who would be entitled thereto under the statute of distributions (the share of any minor shall be payable, in the discretion of the probate court, to the person having custody or to such other person as it shall designate, to be used solely for the care and maintenance of such minor).

"(3) The probate court may also provide in its final order for sale of any property, upon such terms as it deems advisable, and for the distribution of the proceeds in accordance with its final order.

"(d) In the absence of fraud, no person who pays over, transfers, or delivers any property pursuant to the provisions of a final order entered under section 394 (b), or to the directions of a petitioner acting under authority of a final order under section 394 (c), shall be liable for the application thereof, nor shall any such person, nor any person who receives any property pursuant to the provisions of a final order entered under section 394 (b), or to the directions of a petitioner acting under authority of a final order under section 394 (c), be responsible for any claims on account of the payment, transfer, delivery, or receipt of such property; and the property distributed pursuant to a final order in either case shall be and become the absolute property of the respective distributees thereof.

"(e) No petitioner under this act shall be required to be represented by an attorney, or to give bond, nor receive any commission for performing any work or services hereunder.

"(f) The Register of Wills shall prepare, and make available, forms whereby the petition and final order under section 394 (b), and the petition, preliminary order, the statement, the final order, and the certificate of payment under section 394 (c), shall constitute in each case one connected instrument. In lieu of all other fees, costs, or charges, the Register of Wills shall receive a fee of $5 for all services and work administered under this act, including the taking of all affidavits, plus a fee of 25 cents for each certified copy of the aforesaid instruments.

"(g) The discovery of any additional property of the decedent, after the filing of a petition in either case provided for in this act, shall be reported by the petitioner to the probate court as soon as discovered by him. The existence of said additional property shall not invalidate any proceedings under this act except when the additional property is discovered before the passage of the final order provided for, and either (1) is real estate or (2) increases the total value of the estate to more than $500, in which case no final order shall be passed under this act and the court shall require regular administration. Where additional property is discovered after passage of the final order, if said property is entirely personal and does not increase the value of the total estate to more than $500, then such additional property may be distributed pursuant to a new petition under the appropriate section of this act; in all other cases such additional property may not be distributed under this act.

"(h) Any person who makes a false affidavit under this act, or who willfully violates any order of the probate court under this act or any other provision of this act, shall be liable to a fine of not exceeding $500 for each offense.

"(i) All acts or parts of acts inconsistent with the provisions of this act shall be, and they are hereby, repealed to the extent of such inconsistency but only to such extent.

"(j) This act shall apply to the estates of all persons dying after the date of the approval of this act."

Mr. McMILLAN of South Carolina. Mr. Speaker, the purpose of this bill is to provide a family allowance of $500 and a simplified procedure in the settlement of small estates. This act grants, upon the death of any married person, a $500 family allowance to the surviving spouse, if any, for the use of such spouse and any minor children, or if there be no spouse surviving then to the minor children (payable to the person having their custody) for their care and maintenance—said allowance being subject only to payment of funeral expenses not exceeding $200.

Provision is made when there is no one entitled to the family allowance for the person preferred as administrator to secure an order for publication for one month against creditors, and thereupon pay them and account, and the court then vests the balance to those entitled.

No petitioner shall be required to be represented by an attorney nor to give bond and the register of wills shall prepare and make available forms and receive $5 for all services plus 25 cents each for copies.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

APPOINTMENT OF AN ADDITIONAL JUDGE FOR THE JUVENILE COURT OF THE DISTRICT OF COLUMBIA

Mr. McMILLAN of South Carolina. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (S. 1557) to provide for the appointment of an additional judge for the juvenile court of the District of Columbia, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, That the President is authorized to appoint, by and with the consent of the Senate, for a term of 6 years, or until his successor is appointed and confirmed, one additional judge for the juvenile court of the District of Columbia, who shall at the time of appointment be a resident of the

District of Columbia. The position occupied by the present judge of said juvenile court shall be abolished when a vacancy shall occur in said position or at the expiration of the present 6-year term of said judge, whichever shall first occur.

Mr. McMILLAN of South Carolina. Mr. Speaker, the purpose of this bill is to provide for an appointment of a resident of the District of Columbia as an additional judge for the Juvenile Court of the District of Columbia for a term of 6 years. The position of the present judge shall be abolished when a vacancy occurs or at the expiration of the present term.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. O'HARA of Minnesota. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes in connection with the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. O'HARA of Minnesota. Mr. Speaker, we have just passed a bill which provides for the appointment of an additional judge, to take care of an emergency situation in the Juvenile Court of the District of Columbia. The present incumbent of that position has been ill for something over a year. This bill provides for the appointment of another judge to fill the office of the juvenile court judge in the District of Columbia.

As I understand the situation, under the bill just passed we have made no steps toward meeting what is obviously a bad situation existing as far as the retirement of juvenile court judges in the District is concerned. We have in this position an incumbent who is incapaciated and who is drawing her full salary.

If we appoint another judge, we are, in actuality, creating another judgeship to the juvenile court in the event the present incumbent comes back and seeks to act as judge of the juvenile court. My whole objection to this proposed solution to the problem is that we are not approaching it on the basis of the principle involved in establishing a retirement system for the juvenile court in the District.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield.

Mr. HARRIS. Mr. Speaker, I have asked my distinguished friend and colleague to yield for the purpose of explaining further what this bill does.

Technically and for a short period of time, of course, there would be two juvenile court judges for the District of Columbia. But as a practical matter there would be only one juvenile court judge because the bill provides that at the expiration of the term of the present incumbent, that particular position will be abolished, or if there is a vacancy in that position before the expiration of the term, the position will be abolished. Consequently, for all practical purposes, this bill continues in effect a one-judge Juvenile Court for the District of Columbia.

Mr. O'HARA of Minnesota. Actually the effect is not to have a one-judge juvenile court because if the present incumbent comes back and wants to act as juvenile court judge, we will have two juvenile court judges in the District of Columbia.

Mr. HARRIS. Will the gentleman yield further?

Mr. O'HARA of Minnesota. Will the gentleman deny that that is true?

Mr. HARRIS. I do not deny that it is true, but I say from the practical standpoint, the gentleman knows what the situation is with reference to the condition of the present judge, and that her return to the bench is not expected. Certainly, unless a miracle happens, that will not come about. Furthermore, the term of the present incumbent expires in a little more than 2 years.

Mr. O'HARA of Minnesota. It expires in a little over 3 years.

Mr. HARRIS. It expires in August of 1952, I believe.

Mr. O'HARA of Minnesota. Mr. Speaker, I am going to go along with this and not make any objection to the bill because of the so-called emergency situation which exists, and further, on the basis that this committee will in the very near future provide permanent legislation for a retirement system in the Juvenile Court for the District of Columbia, which system should be somewhat similar to that which exists in the municipal court.

Mr. McMILLAN of South Carolina. Mr. Speaker, that concludes the business from the Committee on the District of Columbia.

COMMITTEE ON RULES

Mr. COOPER. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file reports.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. GRANAHAN (at the request of Mr. WALTER), for an indefinite period, on account of illness.

ENROLLED BILLS SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker pro tempore:

H. R. 3754. An act providing for the temporary deferment in certain unavoidable contingencies of annual assessment work on mining claims held by location in the United States, and enlarging the liability for damages caused to stock raising and other homesteads by mining activities;

H. R. 4263. An act to amend section 102 (a) of the Department of Agriculture Organic Act of 1944 to authorize the Secretary of Agriculture to carry out operations to combat the citrus blackfly, white-fringed beetle, and the Hall scale; and

H. R. 4583. An act relating to telephone and telegraph service and clerk hire for Members of the House of Representatives.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 44 minutes p. m.) the House adjourned until tomorrow, Tuesday, June 14, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

688. A communication from the President of the United States, transmitting supplemental estimates of appropriation for the fiscal year 1950 in the amount of $92,175,407, together with certain proposed provisions and increases in limitations pertaining to existing appropriations (H. Doc. No. 218); to the Committee on Appropriations and ordered to be printed.

689. A communication from the President of the United States, transmitting supplemental estimates of appropriation for the fiscal year 1949 and prior fiscal years in the amount of $55,422,354.44, together with certain proposed provisions pertaining to existing appropriations (H. Doc. No. 217); to the Committee on Appropriations and ordered to be printed.

690. A letter from the Acting Secretary of the Interior, transmitting a draft of a proposed bill entitled "A bill relating to customs duties on articles coming into the United States from the Virgin Islands"; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. KILDAY: Committee on Armed Services. H. R. 5007. A bill to provide pay, allowances, and physical disability retirement for members of the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, Public Health Service, the Reserve components thereof, the National Guard, and the Air National Guard, and for other purposes; with an amendment (Rept. No. 779). Referred to the Committee of the Whole House on the State of the Union.

Mr. LANE: Committee on the Judiciary. H. R. 4963. A bill to provide for the appointment of additional circuit and district judges, and for other purposes; without amendment (Rept. No. 780). Referred to the Committee of the Whole House on the State of the Union.

Mr. REED of New York: Committee on Ways and Means. House Joint Resolution 242. Joint resolution extending for 2 years the existing privilege of free importation of gifts from members of the armed forces of the United States on duty abroad; without amendment (Rept. No. 781). Referred to the Committee of the Whole House on the State of the Union.

Mr. WILSON of Oklahoma: Committee on Interstate and Foreign Commerce. H. R. 160. A bill to amend section 801 of the Federal Food, Drug, and Cosmetic Act, as amended; with an amendment (Rept. No. 784). Referred to the Committee of the Whole House on the State of the Union.

Mr. GARMATZ: Joint Committee on the Disposition of Executive Papers. House Report No. 785. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. GARMATZ: Joint Committee on the Disposition of Executive Papers. House Report No. 786. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. McSWEENEY: Committee on Rules. House Resolution 247. Resolution for consideration of H. R. 2214, a bill to provide for the development, administration, and maintenance of the Baltimore-Washington Parkway and the Suitland Parkway in the State of Maryland as extensions of the park system of the District of Columbia and its environs by the Secretary of the Interior, and for other purposes; without amendment (Rept. No. 787). Referred to the House Calendar.

Mr. MADDEN: Committee on Rules. House Resolution 248. Resolution for consideration of H. R. 4963, a bill to provide for the appointment of additional circuit and district judges, and for other purposes; without amendment (Rept. No. 788). Referred to the House Calendar.

Mr. SABATH: Committee on Rules. House Resolution 249. Resolution for consideration of H. R. 5007, a bill to provide pay, allowances, and physical disability retirement for members of the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, Public Health Service, the Reserve components thereof, the National Guard, and the Air National Guard, and for other purposes; with an amendment (Rept. No. 789). Referred to the House Calendar.

Mr. DELANEY: Committee on Rules. House Resolution 250. Resolution for consideration of House Joint Resolution 228, joint resolution authorizing an appropriation for the work of the President's Committee on National Employ the Physically Handicapped Week; without amendment (Rept. No. 790). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FELLOWS: Committee on the Judiciary. H. R. 2848. A bill for the relief of Leon Nikolaivich Volkov; without amendment (Rept. No. 782). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 4804. A bill to record the lawful admission to the United States for permanent residence of Karl Frederick Kucker; without amendment (Rept. No. 783). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CAVALCANTE:

H. R. 5111. A bill to extend certain benefits under the War Claims Act of 1948 to specified civilian Philippine citizens; to the Committee on Interstate and Foreign Commerce.

By Mr. CUNNINGHAM:

H. R. 5112. A bill establishing a procedure by which the Administrator may assure veterans full educational and training opportunities, commensurate with the tuition charges by educational and training institutions, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. D'EWART:

H. R. 5113. A bill to authorize the Secretary of the Interior to complete construction of the irrigation facilities and to contract with the water users on the Buffalo Rapids project, Montana, increasing the reimbursable construction cost obligation, and for other purposes; to the Committee on Public Lands.

By Mr. EBERHARTER:

H. R. 5114. A bill to amend the Internal Revenue Code to permit the use of additional means, including stamp machines, for payment of tax on fermented malt liquors, provide for the establishment of brewery bottling house on brewery premises, and for other purposes; to the Committee on Ways and Means.

By Mr. FARRINGTON:

H. R. 5115. A bill to amend the Veterans' Preference Act of 1944 to give veterans' preference to certain civilian employees of the United States who served in combat zones during World War II; to the Committee on Post Office and Civil Service.

By Mr. FOGARTY:

H. R. 5116. A bill to exempt volunteer fire companies from the tax imposed on billiard and pool tables; to the Committee on Ways and Means.

By Mr. KEOGH:

H. R. 5117. A bill to permit the United States, as well as private persons, to commence treble-damage actions under section 7 of the Sherman Act and section 4 of the Clayton Act; to the Committee on the Judiciary.

By Mr. LYNCH:

H. R. 5118. A bill to provide for the disposition of the fund known as United States Treasury special deposit account No. 3; to the Committee on Foreign Affairs.

By Mr. MANSFIELD:

H. R. 5119. A bill to repeal the act entitled "An act to suspend certain import taxes on copper," approved March 31, 1949 (Public Law 33, 81st Cong.); to the Committee on Ways and Means.

By Mr. MULTER:

H. R. 5120. A bill to increase the expense allowance of Members of Congress; to the Committee on House Administration.

By Mr. NOLAND:

H. R. 5121. A bill to provide for the procurement and installation of mechanism for recording and counting votes in the House of Representatives; to the Committee on House Administration.

By Mr. PETERSON:

H. R. 5122. A bill to require the recordation of scrip, lieu selection, and similar rights; to the Committee on Public Lands.

By Mr. VINSON:

H. R. 5123. A bill to amend section 429, Revised Statutes, as amended, and the act of August 5, 1882, as amended, so as to eliminate the requirement of detailed annual reports to the Congress concerning the proceeds of all sales of condemned material; to the Committee on Armed Services.

H. R. 5124. A bill to amend certain retirement laws of the armed forces, and for other purposes; to the Committee on Armed Services.

By Mr. HOFFMAN or Michigan:

H. J. Res. 275. Joint resolution to reduce the compensation of Members of the House of Representatives by 5 percent, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. WALTER:

H. Res. 246. Resolution authorizing expenses of conducting studies and investigations of certain matters pertaining to immigration; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GAMBLE (by request):

H. R. 5125. A bill for the relief of the Manufacturers Machine & Tool Co., Inc.; to the Committee on the Judiciary.

By Mr. HÉBERT:

H. R. 5126. A bill for the relief of Mrs. Nathalie E. Cobb; to the Committee on the Judiciary.

By Mr. McCORMACK:

H. R. 5127. A bill for the relief of Benedetto Campo; to the Committee on the Judiciary.

By Mr. MANSFIELD:

H. R. 5128. A bill for the relief of the Thomas Cruse Mining & Development Co.; to the Committee on the Judiciary.

By Mr. PETERSON:

H. R. 5129. A bill for the relief of John G. Brown; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1056. By Mr. WILSON of Oklahoma (for himself and the entire Oklahoma delegation): Memorial of the Senate of Oklahoma, memorializing Congress to give favorable consideration to the recommendations of the Commission on Organization of the Executive Branch of the Government; to the Committee on Expenditures in the Executive Departments.

1057. By the SPEAKER: Petition of Mrs. Agnes G. Shankle, General Welfare Federation of America, Washington, D. C., transmitting a petition by Tom Roberts and 102 others, of the General Welfare of America Club, Los Angeles, Calif., asking that the Social Security Act be amended to broaden coverage and increase retirement payments and survivors' benefits by at least 50 percent; to the Committee on Ways and Means.

1058. Also, petition of R. W. Ross and others, New Port Richey, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1059. Also, petition by Mrs. Frank G. Newhart and others, Orlando, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1060. Also, petition of Mrs. Annie Hoppe and others, St. Cloud, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1061. Also, petition of Ole Anders and others, St. Petersburg, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1062. Also, petition of Mr. and Mrs. J. J. Matson and others, Orlando, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1063. Also, petition of Mrs. Ethel Wilson and others, Daytona Beach, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1064. Also, petition of M. S. Diller and others, Miami, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1065. Also, petition of Bob Smith and others, Zephyrhills, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan to the Committee on Ways and Means.

1066. Also, petition of Mrs. Agnes G. Shankle, General Welfare Federation of America, Washington, D. C., transmitting two petitions in behalf of L. W. Lewis, Liberty Club, Buffalo, N. Y., and Raymond Boudreau, Progressive Chapter, General Welfare Federation of America, containing a total of 420 signatures, endorsing the bill H. R. 2620, calling for a national old-age pension of $60 per month at age 60; to the Committee on Ways and Means.

1067. Also, petition of Helen Russell and others, Orlando, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1068. Also, petition of Edwin Morse Coe and others, Miami, Fla., requesting passage

of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1069. Also, petition of George E. Petty and others, Pierson, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1070. Also, petition of S. D. Foster and others, Tampa, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1071. Also, petition of American Trucking Asscciations, Inc., Washington, D. C., protesting the nationalization of any phase of professional medical service; to the Committee on Interstate and Foreign Commerce.

1072. Also, petition of Central Wisconsin Dental Society, Mosinee, Wis., requesting that the Congress do not enact any legislation containing the principle of compulsory health insurance; to the Committee on Interstate and Foreign Commerce.

SENATE

TUESDAY, JUNE 14, 1949

(Legislative day of Thursday, June 2, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. R. Orman Roberts, D. D., pastor of the Temple Methodist Church, San Francisco, Calif., offered the following prayer:

We remember, O God, that in the conception and birth of this Government the founding fathers turned unto Thee for inspiration and guidance. Thou didst satisfy their hunger and thirst for righteousness, wisdom, justice, and liberty. So much so that on this special day, when we unfurl to the breeze the starred and striped symbol of our Nation, our souls thrill, and around the world wistful millions look upon it as their symbol of hope.

We lift our hearts in gratitude for all in the past that justifies the quickened pulse as our flag is raised to the masthead; and we pray, Eternal God, that through Thy continued guidance and our courageous following succeeding generations, while earnestly exercising their world citizenship, will likewise thrill as the emblem flies over this sweet land of liberty. In the name and spirit of Christ we pray. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Monday, June 13, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on June 13, 1949, the President had approved and signed the following acts:

S. 314. An act authorizing the transfer of a certain tract of land in the Robinson Remount Station to the city of Crawford, Nebr., and for other purposes;

S. 690. An act to authorize the furnishing of water to the Yuma auxiliary project, Arizona, through the works of the Gila project, Arizona, and for other purposes;

S. 779. An act relating to the pay and allowances of officers of the Naval Establishment appointed to permanent grades;

S. 782. An act for the relief of William S. Meany;

S. 948. An act for the relief of Mickey Baine; and

S. 1270. An act to repeal that part of section 3 of the act of June 24, 1926 (44 Stat. 767), as amended, and that part of section 13a of the act of June 3, 1916 (39 Stat. 166), as amended, relating to the percentage, in time of peace, of enlisted personnel employed in aviation tactical units of the Navy, Marine Corps, and Air Corps, and for other purposes.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 2021. An act to provide increased pensions for widows and children of deceased members and retired members of the Police Department and the Fire Department of the District of Columbia;

H. R. 2437. An act to amend the act entitled "An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, and for other purposes," approved July 7, 1947;

H. R. 3088. An act to increase the compensation of certain employees of the municipal government of the District of Columbia, and for other purposes;

H. R. 3368. An act to amend sections 356 and 365 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, to increase the maximum sum allowable by the court out of the assets of a decedent's estate as a preferred charge for his or her funeral expenses from $600 to $1,000;

H. R. 3901. An act to increase the salaries of the judges of the Municipal Court of Appeals for the District of Columbia and the Municipal Court for the District of Columbia;

H. R. 4237. An act to amend the act entitled "An act to regulate the practice of optometry in the District of Columbia";

H. R. 4381. An act to provide cumulative sick and emergency leave with pay for teachers and attendance officers in the employ of the Board of Education of the District of Columbia, and for other purposes; and

H. R. 4408. An act to amend the act approved May 27, 1924, entitled "An act to fix the salaries of officers and members of the Metropolitan Police force, United States Park Police force, and the Fire Department of the District of Columbia," so as to grant rights to members of the United States Park Police force commensurate with the rights granted to members of Metropolitan Police force as to time off from duty.

ENROLLED BILL SIGNED

The message also announced that the Speaker pro tempore had affixed his signature to the enrolled bill (H. R. 1337) to authorize the sale of certain public lands in Alaska to the Alaska Council of Boy Scouts of America for recreation and other public purposes, and it was signed by the Vice President.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hayden	Morse
Anderson	Hendrickson	Murray
Brewster	Hill	Myers
Bricker	Hoey	Neely
Bridges	Humphrey	Robertson
Butler	Hunt	Russell
Cain	Ives	Saltonstall
Capehart	Jenner	Schoeppel
Chapman	Johnson, Tex.	Smith, Maine
Cordon	Johnston, S. C.	Sparkman
Donnell	Kem	Taft
Douglas	Kerr	Taylor
Eastland	Knowland	Thomas, Okla.
Ecton	Langer	Thomas, Utah
Ellender	Lodge	Thye
Ferguson	Long	Tobey
Flanders	Lucas	Tydings
Frear	McClellan	Vandenberg
George	McFarland	Watkins
Gillette	McGrath	Wherry
Graham	McKellar	Wiley
Green	McMahon	Young
Gurney	Maybank	

Mr. LUCAS. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Texas [Mr. CONNALLY], the Senator from California [Mr. DOWNEY], the Senator from Colorado [Mr. JOHNSON], the Senator from Tennessee [Mr. KEFAUVER], the Senator from West Virginia [Mr. KILGORE], the Senator from Washington [Mr. MAGNUSON], the Senator from Pennsylvania [Mr. MYERS], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Kentucky [Mr. WITHERS] are detained on official business in meetings of committees of the Senate.

The Senator from Arkansas [Mr. FULBRIGHT] is absent on public business.

The Senator from Nevada [Mr. MCCARRAN] is absent on official business.

The Senators from Florida [Mr. HOLLAND and Mr. PEPPER] are absent by leave of the Senate on public business.

The Senator from Idaho [Mr. MILLER] and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Maryland [Mr. O'CONOR] is absent on official business, having been appointed a delegate to the International Labor Conference at Geneva, Switzerland.

The Senator from Mississippi [Mr. STENNIS] is absent because of illness.

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BALDWIN] and the Senator from New Jersey [Mr. SMITH] are absent because of illness.

The Senator from Pennsylvania [Mr. MARTIN] and the Senator from South Dakota [Mr. MUNDT] are absent by leave of the Senate.

The Senator from Nevada [Mr. MALONE], the Senator from Wisconsin [Mr. MCCARTHY] and the Senator from Delaware [Mr. WILLIAMS] are detained on official business.

The Senator from Iowa [Mr. HICKENLOOPER] and the Senator from Colorado [Mr. MILLIKIN] are in attendance at a meeting of the Joint Committee on Atomic Energy.

The Senator from Kansas [Mr. REED] is detained on official business bcause of attendance at a meeting of the Committee on Interstate and Foreign Commerce.

By order of the Senate, the following announcement is made:

The members of the Joint Committee on Atomic Energy are in attendance at